EMPLOYMENT-UNEMPLOYMENT

HEARINGS

BEFORE THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

NINETY-SEVENTH CONGRESS

SECOND SESSION

PART 22

OCTOBER 8, NOVEMBER 5, AND DECEMBER 3, 1982

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EMPLOYMENT-UNEMPLOYMENT

FRIDAY, OCTOBER 8, 1982

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in room 2128, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representatives Reuss, Mitchell, Hawkins, Dicks, Fauntroy, Hoyer, Mikulski, Obey, and Vento; and Senators Jepsen and Sarbanes.

Also present: James K. Galbraith, executive director; Louis C. Krauthoff II, assistant director; Charles H. Bradford, assistant director; Betty Maddox, assistant director for administration; and Mary E. Eccles, professional staff member.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for this hearing on September's unemployment.

We meet in an atmosphere of general economic emergency. Today's sad unemployment rate, 10.1 percent, is one of many problems. There isn't any recovery in spite of hopes and promises of the last 2 years of the administration.

Housing starts, retail sales, automobile sales, industrial production, new factory orders all are down. Capacity utilization has fallen to 69.4 percent. It stands at barely half of the available supply of plant and equipment in such basic industries as steel and autos. As a result, each new report brings fresh reductions in plant and equipment investment. Meanwhile, around the world, tight money and high interest rates in the United States have reaped financial havoc. The economies of our trading partners, particularly Latin America, have entered a state of collapse. The world system, in financial and trade relations, is in danger.

If it fails, a precious resource will have been squandered. Those who seek a peaceful reconstruction will face a long tough task.

Trickle down economics, Reaganomics, has failed. It is not trickling down. Under trickle down, wealthy individuals are getting richer and large conglomerates are indulging in merger mayhem. Most of the people are suffering as they haven't suffered since the Great Depression of the 1930's.

If unemployment continues at the levels reported this morning, at least 30 million people will be among the victims within 1 year.

Yesterday, according to press reports, the Federal Reserve over-

threw its rigid tight money policy and decided to bring interest rates down rapidly and aggressively. If true, and it is almost too good to be true, this reflects a belated recognition by the Federal Reserve that this Nation is in deep peril, but the administration shows no signs of a similar waking up.

Instead, the President travels around the country repeating tired slogans about his balanced budget amendment, blaming policies long past for troubles which have been brought to a head by his own actions.

This morning, administration spokesmen once again resorted to the unpromising device of blaming America's working women for inflating the unemployment statistics.

Yesterday's action by the Federal Reserve and today's 10.1 unemployment figure confirmed that an emergency exists.

The Joint Economic Committee will meet a number of times during the congressional recess this month and in November to hear testimony on the current economic crisis and on the policy changes that are now required.

I have been asked by Senator O'Neill and Senate Minority Leader Robert Byrd to conduct such hearings. The schedule of the first hearing will be announced very shortly.

Chairman Volcker of the Federal Reserve will be called to testify at an early date, and I invite all members of both parties to join in this investigation.

Senator Jepsen.

OPENING STATEMENT OF SENATOR JEPSEN, VICE CHAIRMAN

Senator JEPSEN. Thank you, Mr. Chairman. I am pleased to see and hear that hearings will continue through this election time. I see the Joint Economic Committee is well prepared this morning with attractive pictures of Herbert Hoover and President Reagan.

The success of the Reagan administration, up until now, in correcting the ills that beset the American economy is the question of the day. In the heat of the current election campaign, a number of allegations have been leveled, suggesting that the Reagan program has not worked. Most of these complaints, however, fail to consider the dismal economic conditions inherited by this administration. It is only proper to take this into account.

After all, it would have been unfair to judge the Roosevelt administration on the basis of the 1934 unemployment rate of 21.7 percent without putting it in the perspective of a 1932 rate of 23.6 percent.

What makes an evaluation of this sort even more complex is that unemployment is only one facet of the overall economic situation. Other considerations, such as the recent history of price changes, levels of interest rates, and patterns of productivity growth impact on the set of policy options available to an incoming administration and its level of performance.

Further complicating matters, Mr. Chairman, is the operation of adjustment lags in the economy, which we are all too familiar with here in the Joint Economic Committee. The performance of the economy in the first year of a new administration is, in many respects,

already predetermined by the actions of its predecessors. An economic legacy is bequeathed from one administration to another.

In the case of the Reagan administration, it did not receive a handsome bequest. It is estimated that the unemployment rate inherent in the economy at the time the administration took office was 8.5 percent, up 2.6 percentage points from 4 years earlier.

In addition, the rate of price inflation had surged upward to double digit levels. Interest rates were soaring. Finally, there had been no appreciable growth in productivity since 1977.

Judged against this background, the Reagan accomplishments of roughly halving the rate of price inflation—we call it disinflation—and producing a decline in interest rates—even the drop late yesterday—while suffering only a modest increase in unemployment, seem substantial.

Using the so-called "misery index," the sum of the rates of price inflation and unemployment, as a measure of performance shows that during the Carter years it increased from 13.5 to 20.6 percent, an upward change, Mr. Chairman, of 53 percent.

During the first 8 months of this year, that index stood at 15.3 percent, which is down 26 percent from the last of the Carter years. Not quite all the losses of the Carter period have been recouped, but a good start has been made.

Far from failing, the Reagan programs seem to be producing very significant improvements in the American economy.

I will have more to say, I am sure, later on. I just want to make these points: No one takes any pleasure at all in having to discuss or talk about an increase in unemployment. The rise in unemployment is due to the recession, but Reagan did not cause this recession. He inherited it.

I have two further comments on that. First, the recession's seeds were sown in the late 1970's and 1980. The Federal Reserve's very fast money growth in early 1981 simply kept the recession from coming earlier.

Second, this is a fact, according to the National Bureau of Economic Research, which dates all recessions, this one began in July 1981, before the Reagan economic program was even enacted. Therefore, you cannot blame the Reagan administration for the recession.

Thank you, Mr. Chairman.

Representative REUSS. Thank you, Senator Jepsen. Congressman Mitchell.

OPENING STATEMENT OF REPRESENTATIVE MITCHELL

Representative MITCHELL. Thank you very much, Mr. Chairman.

You and I and all the members of the Joint Economic Committee have fought here month after month, witnessing a steady climb in unemployment. One month it remained the same, and that is the same as saying that the Nation's condition remained critical.

Now we have an appalling rate of 10.1 percent, and I am angry, and I think other people should be angry. Doesn't this dreadful man know what enormous economic and psychological pain he is imposing on millions of people? Doesn't he care?

If he cares, it seems to me he would act to end the pain, but, no, all we get are tedious servings of platitudinous rhetoric.

As I understand it, the Egyptian leaders who had the pyramids built, built them on the backs of thousands of slaves whose bodies are still buried under the pyramids. It seems to me that this man is attempting to build his own ideological economic pyramid on the bodies of the unemployed in this Nation.

Just like the pyramids of Egypt, which are now crumbling, this attempt, this economic pyramid that he is attempting to build, will also erode and fail and has failed.

Congress must bear its share of the guilt. I can't understand for the life of me how some Members of Congress have the temerity, the audacity, to attempt to campaign for election on the basis that Reagan's program has worked, while we witness 10.1 percent unemployment.

No; there will be no relief from President Reagan. There will only be exhortations to stay on course. I tell you right now, as I predicted that 10 percent unemployment, I am predicting that by the end of February, based upon all economic studies, unless something is done, a substantial change, the unemployment rate is going to reach 11.3 percent.

Doesn't he understand that behind these numbers are human beings who are suffering?

Mr. Chairman, I ask unanimous consent to read a statement and have it entered into the record.

Representative REUSS. Without objection.

Representative MITCHELL. At 9:15 a.m., I walked out of Penn Station in Baltimore, carrying my suitcase, joking and kidding with cabdrivers. Three cabbies were standing near my car, and I asked them were they having a caucus meeting, which evoked a lot of laughter.

The young man was standing in front of my car. He looked like 1,000 other young black men I have seen. He was about 22 to 24 years old, wearing blue jeans, a navy blue wind breaker, tennis shoes, and no hat. His face showed hurt and trouble. "Hey, how you doing?" I said, and he replied that he had been standing in front of my car waiting to talk to me.

My car is easily identifiable by the congressional tags and the Mitchell bumper stickers on the rear window. I told him I might have been gone for hours. He told me he was just going to stand there for as long as it took, because he wanted to talk to me.

Then, suddenly like a dam bursting, tears were running down his face. It all just poured out of him, and I am quoting him and the language that he used. "I am falling apart in my mind, I have gotten out of the service, honorable too, and I just can't find a job. I've been looking and almost begging for a job. I'm down to my last $200 in savings and I'll pay to get a job. I'm breaking up, breaking up inside. I just want to work."

I gave him a handkerchief and asked him a few questions. His name was Jerome. I have eliminated the last name. He was living with his girlfriend, and I quote: "I won't go back to that house until I have a job."

I told him not to stand there, but to go someplace where I could reach him later that day. He said he would go to his grandmother's house, and he gave me the address.

As I started to back my car up, I looked at Jerome again. He had crouched there beside the wall—Penn Station has a wall about that high—and tears which he simply could not control were running down his face. I got out of the car, put my arm around his shoulder and told him I would take him to his grandmother's. He said, "No, thanks, I don't want any favors, I don't want any money. I will walk, but I have to get a job before I destroy inside me."

In the past I have been able to give guys like that something to do around my house, cleaning the cellar, washing windows, or painting, but I couldn't hire anybody else.

Fortunately, I ran into a young black businessman who promised he might be able to hire Jerome in about 1 week. I called the manager of an employment agency. He said he would see Jerome the next morning and help him find work.

The tragedy is that there are 10,000 Jeromes in my city with tears welled up inside of them and tears which might burst at any moment. You tell that young man Jerome, you have the audacity to tell him and his 10,000 counterparts, that this man's program is working, it is a tragedy and a disgrace.

Thank you, Mr. Chairman.

Representative REUSS. Senator Sarbanes.

OPENING STATEMENT OF SENATOR SARBANES

Senator SARBANES. Mr. Chairman, the figures presented to us this morning are absolutely devastating. We have been pointing this out for months to the administration and urging it to change its course. It has refused to do so. The President, in fact, refuses to even recognize the problem.

At his last press conference, the President said, certainly the rate of increase in unemployment in the last 6 months of 1980—this is part of his concerted effort now underway to avoid any responsibility for what is occurring in the economy—was just about as great as has been at any time since.

Now, the movement in the unemployment rate in the last 6 months of 1980 was not up but down, and those figures for the last 6 months of 1980 for the unemployment rate, beginning in July were 7.8, 7.7, 7.5, 7.5, 7.5, and 7.3 percent.

Now we are in dire difficulty in this country when the President of the United States cannot even state the facts accurately and is telling the American people that there was an increase in the unemployment rate in the last 6 months of 1980—namely, the last 6 months of his predecessor—an increase during those months as great as has been at any time since.

Now that rate went down in a 6-month period. What has happened to it since then when this administration took over? It staved in the low 7 percent range: 7.4, 7.4, 7.4, 7.3, 7.3, 7.3, 7.5, 7.4, and 7.2 in July 1981. Six months into this administration.

Now, they were handed some difficult economic problems when they came in, but they were not handed a recession; they were not handed an economy that was moving downward. Six months into the Reagan Republican administration, the unemployment rate was 7.2 percent.

Since July 1981, the unemployment rate has started to move up and up and up, until today it crosses the 10-percent mark, the highest unemployment we have confronted in this country since 1940. Millions of Americans are out of work.

I call on the President and his supporters in the Congress to recognize the crisis which the Nation is facing, and I suggest to the American people that if they will not respond to this crisis at the very moment when the people are about to make the choice at the ballot box, what response can we expect from them in the months to come?

I think the predictions that I heard earlier this morning of a continuing climb in the unemployment rate are something that ought to be of very deep concern to all Americans. We now confront the worst unemployment in 42 years; 42 years.

We see a climb in the rate from just over 7 percent in July 1981, 14 months ago. We now find ourselves over 10 percent—this serves to underscore the national economic crisis.

Representative REUSS. We welcome today a new member of the Joint Economic Committee from California, Representative Hawkins.

OPENING STATEMENT OF REPRESENTATIVE HAWKINS

Representative HAWKINS. Thank you, Mr. Chairman. I note that when we had debate on the Full Employment Act in 1978 with this committee, I didn't know exactly what type of committee we were dealing with.

I am delighted to join with you today, although on this occasion I am not so sure it is going to be a pleasure.

I disagree with my colleagues in only one point, and that is, in my opinion the Reagan policies are succeeding. Their intent was to induce recession and create unemployment, and they have done precisely that. So, I think we are facing the unfortunate situation in that his policies, having succeeded, have created not only high unemployment and a recession in his fight to limit inflation, but unfortunately, and I think he fails to recognize this, prices are still rising. So we haven't bought very much.

I would hope that this committee will assume its rightful role in the policy process, not only analyzing these statistics, but also suggesting alternatives.

There are many alternatives that are available; the alternatives so as to right these policies, as was the original intent of the Joint Economic Committee.

I think we can serve a useful and constructive purpose by pointing out not only the deficiencies of these policies, but suggesting remedies. Thank you very much.

Representative REUSS. Thank you. The committee welcomes a number of very fine Members of the Congress, who are not members of the committee; later on, after Commissioner Norwood has testified, I am hoping that they will join in any questions.

We welcome Mr. Fauntroy of the District of Columbia; Mr. Dicks of Washington; Mr. Obey of Wisconsin; Ms. Mikulski and Mr. Hoyer of Maryland; and Mr. Vento of Minnesota. You are most welcome.

We now have the unpleasant duty of listening to the bad news brought, however, by the person who has our total respect. Commissioner Norwood is a very professional, very dedicated, absolutely outstanding member of the Federal service in good times and bad. She is very welcome here.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY THOMAS J. PLEWES, ASSISTANT COMMISSIONER, OFFICE OF EMPLOYMENT STRUCTURE AND TRENDS; AND KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS

Ms. NORWOOD. Thank you very much, Mr. Chairman.

I am, of course, very pleased to be here to review with the committee the data which we released this morning.

The labor market showed further signs of weakness in September. Employment remained weak, hours of work declined, and the Nation's unemployment rate rose to 10.1 percent.

Both the size of the labor force and the number of unemployed usually decline in September. This year, the labor force in September declined less than usual, and the number of unemployed persons remained at 10.7 million before seasonal adjustment. As a result, after adjustment for seasonality, the labor force increased by about 340,000, and the number of persons without jobs rose to almost 11.3 million.

Total employment, as measured by the household survey, was unchanged after seasonal adjustment, and the employment-population ratio—the proportion of the working age population with jobs—stood at 57 percent. The number of workers on nonfarm payrolls declined. Nonfarm payroll jobs for the private sector—excluding Government—were little changed over a month. However, job losses occurred in the already hard-hit manufacturing industry and in wholesale and retail trade. The factory workweek fell for the second consecutive month.

Since the prerecession peak in July 1981, employment in manufacturing has declined by 1.8 million. Three-quarters of these jobs losses were in durable manufacturing industries, especially transportation equipment, primary and fabricated metals, and machinery. Some of these industries began to go through serious structural deterioration in the late 1970's; the current recession has exacerbated the employment problems in these declining industries.

The service-producing sector of the economy, which employs about three out of every four American workers, is generally less affected by recession than the goods-producing sector. Since 1981, service sector payrolls have declined by about 190,000 jobs. The service-producing sector continued to grow during the early part of the current recession; since May, however, this sector has lost more than 400,000 jobs. In September, retail trade employment declined by 45,000 as retail stores failed to hire the usual number of workers in anticipation of the pickup in fall and winter sales.

The employment data for September always reflect an increase in State and local government as school personnel return to their jobs.

This year that increase was far less that then usual, partly because of the decline in the school-age population.

Usually in September there is a large decline in the number of workers who want full-time jobs but are forced to accept part-time employment. This did not occur this year. Typically, in September the number of persons on short hours declines as employers react to a diminished labor force by restoring hours to those who are employed. This change did not occur, and as a result, the number of persons on short workweeks rose by 950,000 to 6.6 million, after seasonal adjustment. These data from the household survey appear consistent with the drop in hours of work reported in the business survey.

In September, the household survey shows that the labor force pattern for young persons, who normally return to school in September, was about in line with prior experience. However, the adult male labor force, especially for those 25 years and over, rose more than usual, and their unemployment increased. Their jobless rate rose from 8.9 to 9.6 percent. Since the recession began in 1981, the unemployment rate for black men has climbed from 12.7 to 19.8 percent, and the rate for white men has risen from 5 to 8.6 percent.

Jobless rates for adult women and teenagers were about unchanged over the month. Although up somewhat from prerecession levels, their rates have been considerably less affected by the downturn than those of adult men.

In addition to the data for the month of September, our release this morning reports on the number of discouraged workers; these data are reported only on a quarterly basis. This group—persons who report that they are not seeking work because they believe no jobs are available—rose by 120,000 from the second to the third quarter of this year to a level of 1.6 million.

I think it's important to recognize that several external factors may have affected the employment situation in September. The decline in the school-age population undoubtedly has reduced the number of teachers on local government payrolls. Changes in university financing arrangements may have affected the employment patterns of college students.

In addition, changes in the unemployment insurance law became effective in mid-September. The changes permitted those who had exhausted their benefits to qualify for Federal supplementary compensation. A preliminary count from administrative records indicates that approximately 280,000 persons registered for these benefits during the week of September 12–18. That's the same week as the survey week.

These changes in the law could have provided some incentive for some workers who had previously had attachment to the labor force but were not counted as unemployed in August, either because of discouragement or for other reasons, to register for Federal supplementary compensation and to resume job search. It is difficult to quantify the possible effects of these factors with any degree of precision.

In summary, the data for September show a weak job market. After adjustment for seasonality, the unemployment rate rose, factory employment and hours continued to decline, and employment cutbacks spread into the service-producing sector.

Now, Mr. Plewes, who handles our labor force work, and Mr. Dalton, who is responsible for our price work, and I will be glad to try to answer any questions.

[The table attached to Ms. Norwood's statement, together with the press release referred to follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method						X-11 method (former official method)	Range (cols. 2 to 8)
		Official	Concurrent	Stable	Total	Residual	12-mo extrapolation		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1981									
September	7.3	7.6	7.6	7.5	7.6	7.6	7.6	7.6	0.1
October	7.5	8.0	8.0	8.1	7.9	7.9	8.0	8.0	.2
November	7.9	8.3	8.3	8.4	8.3	8.3	8.3	8.4	.1
December	8.3	8.8	8.8	8.8	8.8	8.6	8.8	8.8	.2
1982									
January	9.4	8.5	8.6	8.5	8.6	8.7	8.5	8.5	.2
February	9.6	8.8	8.7	8.6	8.8	8.9	8.8	8.7	.3
March	9.5	9.0	9.0	8.9	9.0	9.3	9.0	9.0	.4
April	9.2	9.4	9.3	9.4	9.5	9.4	9.4	9.4	.2
May	9.1	9.5	9.3	9.9	9.8	9.4	9.5	9.7	.6
June	9.8	9.5	9.5	9.4	9.2	9.4	9.5	9.5	.3
July	9.8	9.8	9.7	9.8	9.6	9.6	9.7	9.7	.2
August	9.6	9.8	9.8	9.8	9.7	9.7	9.7	9.7	.1
September	9.7	10.1	10.1	10.1	10.1	9.9	10.2	10.1	.3

Source: U.S. Department of Labor, Bureau of Labor Statistics, October 1982.

News
United States Department of Labor
Bureau of Labor Statistics Washington, D.C. 20212

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523-1371
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USDL 82-355
TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 8:30 A.M. (EDT), FRIDAY, OCTOBER 8, 1982

Advance copies of this release are made available to the press with the explicit understanding that, prior to 8:30 A.M. Eastern time: (1) Wire services will not move over their wires copy based on information in this release, (2) electronic media will not feed such information to member stations, and (3) representatives of news organizations will not contact anyone outside the Bureau of Labor Statistics to ask questions or solicit comments about information in this release.

THE EMPLOYMENT SITUATION: SEPTEMBER 1982

The Nation's unemployment rate rose to 10.1 percent in September, and the number of jobs in nonagricultural establishments declined, after seasonal adjustment, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The unemployment rate was 9.8 percent in August. Since the pre-recession peak of July 1981, the overall rate has risen by 2.9 percentage points.

Total employment--as measured by the monthly survey of households--was about unchanged in September at 99.7 million. Nonfarm payroll employment--as measured by the monthly survey of establishments--dropped by 230,000 to 89.0 million. Employment declines continued in the manufacturing sector, and the factory workweek was down four-tenths of an hour.

Unemployment

After seasonal adjustment, unemployment rose by 450,000 in September to 11.3 million, and the overall unemployment rate rose three-tenths of a point to 10.1 percent. Adult men--especially those over 25 years of age--accounted for nearly all of the September increase in unemployment. Their unemployment usually declines at this time of year, but did not do so this September. After seasonal adjustment, the jobless rate for men 20 and over rose to 9.6 percent. Unemployment rates for adult women and teenagers were about unchanged at 8.3 percent and 23.7 percent, respectively. The increase in unemployment was reflected in the jobless rates of both white (9.0 percent) and black (20.2 percent) workers, whereas the incidence of joblessness among Hispanics was unchanged at 14.6 percent. (See tables A-1 and A-2.)

Joblessness among blue-collar workers was up 1.4 points to 13.5 percent, while unemployment among white-collar (4.8 percent) and service workers (10.7 percent) was unchanged over the month. Among the major industry groups, unemployment rates for construction and manufacturing workers rose to 22.6 percent and 13.8 percent, respectively. (See table A-5.)

The number of unemployed persons seeking work for 15 weeks or longer was up in September, with the increase concentrated among those out of work for more than 6 months. Both the mean and median duration of unemployment rose, the mean to 16.6 weeks and the median to 9.5 weeks. (See table A-6.)

In addition to the increase in joblessness in September, there was also a large increase after seasonal adjustment in the number of nonagricultural workers on part-time schedules for economic reasons; their number was up 950,000 over the month to a record 6.6 million. These are workers whose hours were cut back or could only find part-time jobs. (See table A-3.)

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The Labor Force and Total Employment

The civilian labor force grew by 340,000 in September to 111.0 million, seasonally adjusted. Virtually all of this increase took place among adult men. Adult women, however, have accounted for the largest share of the 2.3 million increase in the labor force over the past year--1.7 million. Over this same period, the number of adult men in the labor force has increased by more than 900,000, while the number of teenagers has dropped by over 300,000. (See table A-1.)

Employment was about unchanged in September at 99.7 million, seasonally adjusted. Since the pre-recession peak in July 1981, total employment has dropped by 1.1 million, with adult men accounting for virtually the entire decline. The proportion of the population employed, at 57.0 percent in September, has declined by 1.5 percentage points over the same period.

Discouraged Workers

The number of discouraged workers (persons who report that they want to work but are not looking for jobs because they believe they could not find any) rose for the fifth consecutive

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Aug. - Sept. change
	1981	1982		1982			
	III	II	III	July	Aug.	Sept.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	108,667	110,168	110,715	110,522	110,644	110,980	336
Total employment	100,654	99,740	99,764	99,732	99,839	99,720	-119
Unemployment	8,013	10,428	10,952	10,790	10,805	11,260	455
Not in labor force	61,746	61,852	61,807	61,842	61,867	61,710	157
Discouraged workers	1,094	1,497	1,619	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	7.4	9.5	9.9	9.8	9.8	10.1	0.3
Adult men	6.0	8.4	9.1	8.8	8.9	9.6	0.7
Adult women	6.7	8.2	8.3	8.4	8.2	8.3	0.1
Teenagers	19.1	22.8	23.9	24.1	24.0	23.7	-0.3
White	6.4	8.4	8.8	8.7	8.6	9.0	0.4
Black	15.8	18.5	19.2	18.5	18.8	20.2	1.4
Hispanic origin	9.8	13.3	14.4	13.9	14.6	14.6	0
Full-time workers	7.0	9.3	9.7	9.5	9.6	10.1	0.5
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,360	90,029	89,280p	89,535	89,268p	89,038p	-230p
Goods-producing industries	25,646	24,179	23,675p	23,840	23,639p	23,546p	-93p
Service-producing industries	65,714	65,850	65,605p	65,695	65,629p	65,492p	-137p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.2	34.9	34.8p	34.9	34.8p	34.8p	0p
Manufacturing	39.8	39.1	38.9p	39.2	39.0p	38.6p	-0.4p
Manufacturing overtime	2.9	2.4	2.4p	2.4	2.4p	2.3p	-0.1p

p=preliminary. N.A.=not available.

quarter, reaching 1.6 million in the third quarter of 1982. All of the third quarter increase (120,000) was among women. Three-fourths of all discouraged workers were not seeking work because of job-market factors. (See table A-11.)

Industry Payroll Employment

Nonagricultural payroll employment, at 89.0 million in September, was down 230,000 over the month after seasonal adjustment and has fallen by nearly 2.4 million since July 1981. Over-the-month reductions were concentrated in the durable goods manufacturing industries, which lost 80,000 jobs; retail trade, down 45,000; and State and local government, which declined by 90,000. (See table B-1.)

Among the durable goods industries, transportation equipment employment decreased for the second month in a row, dropping by 30,000 in September and 70,000 since August. Machinery also continued to decline, losing an additional 20,000 jobs over the month, while primary and fabricated metals jobs were down by smaller margins. There was little movement among the individual nondurable goods industries. Overall, manufacturing employment was down by 85,000 over the month and has declined by 1.8 million since July 1981. Employment was about unchanged over the month in mining and construction.

Employment in the service-producing sector, which had shown some strength early in the recession, declined by 140,000 in September and was down more than 400,000 from last May. The over-the-month drop was due entirely to the job losses in trade and State and local government. Most of the seasonally adjusted decline in State and local government resulted from the fact that September hiring in schools was less than usual for this time of year, as school systems continued to adjust to smaller enrollments and tighter budgets; a small part of the decline was due to teacher strikes.

Hours of Work

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls was 34.8 hours in September, seasonally adjusted, about the level that has generally prevailed since last September. The factory workweek, however, fell 0.4 hour over the month to 38.6 hours, which was below the 1973-75 recession low. Factory overtime was down 0.1 hour to 2.3 hours in September. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls declined 0.3 percent in September to 103.8 (1977=100). The manufacturing index was down 1.4 percent over the month to 85.2 and has fallen more than 12 percent over the past year. (See table B-5.)

Hourly and Weekly Earnings

Average hourly and weekly earnings both fell 0.1 percent in September, after seasonal adjustment. Before adjustment for seasonality, average hourly earnings were up 7 cents to $7.76, 36 cents above the year-earlier level. Average weekly earnings, at $270.05, were down 64 cents over the month but rose by $10.31 over the year. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index (HEI) was 149.9 (1977=100) in September, seasonally adjusted, 0.1 percent higher than in August. For the 12 months ended in September, the increase (before seasonal adjustment) was 6.0 percent. The HEI excludes the effects of two types of changes unrelated to underlying wage rate movements--fluctuations in overtime in manufacturing and interindustry employment shifts. In dollars of constant purchasing power, the HEI increased 0.8 percent during the 12-month period ended in August. (See table B-4.)

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 177,000 establishments employing about 36 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed*, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

—The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

—The household survey includes people on unpaid leave among the employed; the establishment survey does not;

—The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

—The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

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increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $3.75 per issue or $31.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

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Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1981	Aug. 1982	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
TOTAL									
Total noninstitutional population[1]	172,758	174,767	174,889	172,758	174,201	174,368	174,548	174,707	174,889
Armed Forces[1]	2,165	2,196	2,198	2,165	2,175	2,173	2,180	2,196	2,198
Civilian noninstitutional population[1]	170,593	172,511	172,690	170,593	172,026	172,190	172,368	172,511	172,690
Civilian labor force	108,273	111,887	110,546	108,694	110,666	110,191	110,522	110,684	110,980
Participation rate	63.5	64.9	64.0	63.6	64.3	64.0	64.1	64.1	64.3
Employed	100,389	101,177	99,851	100,258	100,117	99,764	99,732	99,839	99,720
Employment-population ratio[2]	58.1	57.9	57.1	58.0	57.5	57.2	57.1	57.1	57.0
Agriculture	3,609	3,916	3,612	3,358	3,488	3,357	3,460	3,435	3,368
Nonagricultural industries	96,780	97,262	96,239	96,900	96,629	96,406	96,272	96,404	96,352
Unemployed	7,884	10,710	10,695	8,236	10,549	10,427	10,790	10,805	11,260
Unemployment rate	7.3	9.6	9.7	7.6	9.5	9.5	9.8	9.9	10.1
Not in labor force	62,320	60,624	62,144	62,099	61,360	61,999	61,842	61,867	61,710
Men, 16 years and over									
Total noninstitutional population[1]	82,707	83,627	83,712	82,707	83,389	83,464	83,550	83,627	83,712
Armed Forces[1]	1,983	2,004	2,008	1,983	1,986	1,983	1,990	2,004	2,008
Civilian noninstitutional population[1]	80,724	81,622	81,705	80,724	81,402	81,480	81,560	81,622	81,705
Civilian labor force	61,643	63,584	62,296	61,977	62,849	62,287	62,353	62,460	62,852
Participation rate	76.4	77.9	76.2	76.8	77.2	76.4	76.5	76.5	76.9
Employed	57,656	57,644	56,335	57,871	56,820	56,223	56,192	56,210	56,188
Employment-population ratio[2]	69.7	68.9	67.3	69.5	68.1	67.4	67.3	67.2	67.1
Unemployed	3,988	5,941	5,961	4,106	6,029	6,065	6,161	6,250	6,708
Unemployment rate	6.3	9.3	9.6	7.3	9.6	9.7	9.9	10.0	10.7
Men, 20 years and over									
Total noninstitutional population[1]	74,382	75,531	75,640	74,382	75,227	75,323	75,429	75,531	75,640
Armed Forces[1]	1,713	1,757	1,773	1,713	1,728	1,738	1,744	1,757	1,773
Civilian noninstitutional population[1]	72,670	73,774	73,867	72,670	73,499	73,585	73,685	73,774	73,867
Civilian labor force	57,219	58,398	58,149	57,262	58,148	58,016	58,084	58,026	58,407
Participation rate	78.7	79.2	78.7	78.8	79.1	78.8	78.8	78.7	79.1
Employed	54,074	53,516	53,212	53,693	53,260	52,985	52,996	52,887	52,828
Employment-population ratio[2]	72.7	70.9	70.3	72.2	70.8	70.3	70.3	70.0	69.8
Agriculture	2,515	2,611	2,579	2,383	2,624	2,424	2,474	2,436	2,447
Nonagricultural industries	51,558	50,905	50,633	51,310	50,796	50,561	50,522	50,451	50,381
Unemployed	3,145	4,877	4,937	3,569	4,908	5,031	5,088	5,139	5,579
Unemployment rate	5.5	8.4	8.5	6.2	8.4	8.7	8.8	8.9	9.6
Women, 16 years and over									
Total noninstitutional population[1]	90,051	91,081	91,176	90,051	90,813	90,900	90,995	91,081	91,176
Armed Forces[1]	182	192	191	182	188	190	191	192	191
Civilian noninstitutional population[1]	89,869	90,889	90,985	89,869	90,624	90,710	90,804	90,889	90,985
Civilian labor force	46,629	48,302	48,250	46,517	47,817	47,904	48,169	48,185	48,129
Participation rate	51.9	53.1	53.0	51.8	52.8	52.8	53.0	53.0	52.9
Employed	42,733	43,533	43,516	42,787	43,297	43,541	43,540	43,630	43,572
Employment-population ratio[2]	47.5	47.8	47.7	47.5	47.7	47.9	47.8	47.9	47.8
Unemployed	3,896	4,769	4,734	3,730	4,520	4,362	4,629	4,555	4,556
Unemployment rate	8.4	9.9	9.8	8.0	9.5	9.1	9.6	9.5	9.5
Women, 20 years and over									
Total noninstitutional population[1]	81,946	83,201	83,320	81,946	82,868	82,976	83,091	83,201	83,320
Armed Forces[1]	154	166	168	154	162	165	165	166	168
Civilian noninstitutional population[1]	81,792	83,035	83,152	81,792	82,707	82,811	82,926	83,035	83,152
Civilian labor force	42,621	43,648	44,088	42,384	43,683	43,904	44,076	44,115	44,075
Participation rate	52.1	52.6	53.3	51.8	52.8	53.0	53.2	53.1	53.1
Employed	39,557	39,831	40,487	39,426	40,075	40,350	40,392	40,490	40,469
Employment-population ratio[2]	48.3	47.9	48.6	48.1	48.4	48.6	48.6	48.7	48.5
Agriculture	693	680	643	608	634	581	600	589	585
Nonagricultural industries	38,864	39,143	39,824	38,818	39,441	39,769	39,791	39,901	39,784
Unemployed	3,064	3,818	3,821	2,958	3,608	3,554	3,684	3,626	3,656
Unemployment rate	7.2	8.7	8.6	6.9	8.3	8.1	8.4	8.2	8.3
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,429	15,976	15,929	16,429	16,106	16,065	16,024	15,976	15,929
Armed Forces[1]	298	274	258	298	285	271	272	274	258
Civilian noninstitutional population[1]	16,131	15,702	15,671	16,131	15,820	15,794	15,753	15,702	15,671
Civilian labor force	8,433	8,885	8,089	8,888	8,819	8,271	8,362	8,503	8,548
Participation rate	52.3	62.7	51.6	55.1	55.7	52.4	53.1	58.2	54.5
Employed	6,758	7,830	6,152	7,139	6,782	6,829	6,346	6,463	6,523
Employment-population ratio[2]	41.1	49.0	38.6	43.5	42.1	40.0	39.6	40.5	41.0
Agriculture	401	617	370	367	390	353	386	411	336
Nonagricultural industries	6,357	7,213	5,782	6,772	6,392	6,076	5,958	6,052	6,187
Unemployed	1,675	2,015	1,937	1,749	2,037	1,842	2,018	2,040	2,025
Unemployment rate	19.9	20.5	23.9	19.7	23.1	22.3	24.1	24.0	23.7

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

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HOUSEHOLD DATA

Table A-2. Employment status of the population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1981	Aug. 1982	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
WHITE									
Civilian noninstitutional population[1]	148,370	149,536	149,652	148,370	149,250	149,329	149,569	149,536	149,652
Civilian labor force	98,717	97,361	96,346	98,888	96,641	96,223	96,493	96,414	96,762
Participation rate	63.8	65.1	64.4	64.0	64.8	64.4	64.5	64.5	64.7
Employed	88,778	89,189	88,175	88,628	88,450	88,173	88,137	88,133	88,020
Unemployed	9,939	8,172	8,171	8,256	8,191	8,050	8,356	8,281	8,742
Unemployment rate	6.3	8.4	8.5	8.4	8.5	8.4	8.7	8.6	9.0
Men, 20 years and over									
Civilian labor force	50,679	51,566	51,315	50,712	51,394	51,252	51,292	51,269	51,607
Participation rate	78.2	79.6	79.2	79.3	79.6	79.3	79.2	79.2	79.6
Employed	48,291	47,768	47,493	47,948	47,535	47,300	47,256	47,202	47,163
Unemployed	2,387	3,799	3,822	2,764	3,859	3,952	4,037	4,067	4,444
Unemployment rate	4.7	7.4	7.4	5.5	7.5	7.7	7.9	7.9	8.6
Women, 20 years and over									
Civilian labor force	36,481	37,241	37,909	36,294	37,428	37,619	37,845	37,716	37,708
Participation rate	51.4	51.9	52.7	51.2	52.3	52.5	52.7	52.6	52.5
Employed	34,258	34,367	35,035	34,155	34,682	34,944	35,067	35,033	34,930
Unemployed	2,223	2,874	2,869	2,139	2,746	2,675	2,777	2,683	2,777
Unemployment rate	6.1	7.7	7.6	5.9	7.3	7.1	7.3	7.1	7.4
Both sexes, 16-19 years									
Civilian labor force	7,557	8,553	7,127	7,878	7,819	7,352	7,356	7,429	7,947
Participation rate	56.1	65.7	56.9	58.5	59.6	56.1	56.3	57.1	57.8
Employed	6,228	7,054	5,647	6,525	6,233	5,929	5,818	5,899	5,917
Unemployed	1,329	1,499	1,480	1,353	1,586	1,423	1,542	1,530	1,520
Unemployment rate	17.6	17.5	20.8	17.2	20.3	19.4	21.0	20.6	20.4
Men	17.1	18.0	21.6	17.5	21.2	21.1	22.6	22.5	22.0
Women	18.1	17.0	19.9	16.8	19.2	17.5	19.2	18.6	18.7
BLACK									
Civilian noninstitutional population[1]	18,297	18,626	18,659	18,297	18,542	18,570	18,600	18,626	18,659
Civilian labor force	11,097	11,639	11,633	11,134	11,335	11,253	11,322	11,412	11,482
Participation rate	60.6	62.5	61.3	60.9	61.1	60.6	60.9	61.3	61.5
Employed	9,354	9,441	9,199	9,319	9,216	9,178	9,223	9,262	9,166
Unemployed	1,743	2,197	2,235	1,815	2,120	2,079	2,098	2,150	2,316
Unemployment rate	15.7	18.9	19.5	16.3	18.7	18.5	18.5	18.8	20.2
Men, 20 years and over									
Civilian labor force	5,276	5,383	5,388	5,272	5,349	5,364	5,362	5,359	5,407
Participation rate	74.9	74.7	74.6	74.9	74.6	74.7	74.5	74.4	74.9
Employed	4,590	4,472	4,416	4,505	4,439	4,447	4,459	4,437	4,338
Unemployed	686	911	972	767	910	916	903	922	1,073
Unemployment rate	13.0	16.9	18.0	14.5	17.0	17.1	16.9	17.2	19.8
Women, 20 years and over									
Civilian labor force	5,072	5,210	5,255	5,019	5,140	5,153	5,161	5,198	5,195
Participation rate	56.5	56.8	57.2	55.9	56.4	56.4	56.6	56.7	56.5
Employed	4,336	4,376	4,400	4,315	4,351	4,378	4,363	4,411	4,378
Unemployed	736	834	855	704	788	775	798	787	817
Unemployment rate	14.5	16.0	16.3	14.0	15.3	15.0	15.5	15.1	15.7
Both sexes, 16-19 years									
Civilian labor force	749	1,046	790	843	846	736	799	855	881
Participation rate	32.8	46.6	35.2	36.9	37.5	32.6	35.5	38.1	39.3
Employed	428	594	382	499	425	349	402	414	454
Unemployed	321	452	408	344	421	387	397	441	427
Unemployment rate	42.8	43.2	51.6	40.8	49.8	52.6	49.7	51.6	48.5
Men	37.7	40.7	52.6	38.5	50.6	58.1	48.3	50.1	51.2
Women	48.4	46.0	50.6	43.4	48.9	46.2	51.2	53.1	45.8
HISPANIC ORIGIN									
Civilian noninstitutional population[1]	9,466	9,689	9,468	9,466	9,297	9,428	9,521	9,689	9,468
Civilian labor force	5,977	6,222	5,954	5,964	6,001	5,931	5,966	6,087	5,967
Participation rate	63.1	64.2	62.9	63.0	64.5	62.9	62.7	62.8	63.1
Employed	5,441	5,327	5,143	5,393	5,168	5,131	5,135	5,197	5,097
Unemployed	536	896	812	571	834	800	832	890	870
Unemployment rate	9.0	14.4	13.6	9.6	13.9	13.5	13.9	14.6	14.6

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

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Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Sept. 1981	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
CHARACTERISTIC								
Total employed, 16 years and over	100,389	99,851	100,258	100,117	99,764	99,732	99,839	99,725
Married men, spouse present	39,258	38,459	38,855	38,212	38,354	38,213	38,184	38,081
Married women, spouse present	23,902	24,053	23,626	24,213	24,001	24,223	24,300	24,187
Women who maintain families	5,034	5,130	5,015	4,984	5,112	5,247	5,216	5,115
OCCUPATION								
White-collar workers	52,728	53,715	52,908	53,705	53,586	53,685	53,750	53,876
Professional and technical	16,535	16,867	16,558	16,810	17,053	17,292	17,023	16,901
Managers and administrators, except farm	11,661	11,789	11,533	11,541	11,504	11,355	11,613	11,649
Sales workers	6,327	6,390	6,461	6,587	6,547	6,567	6,677	6,507
Clerical workers	18,204	18,668	18,336	18,758	18,482	18,471	18,437	18,819
Blue-collar workers	31,610	29,495	31,266	29,926	29,716	29,609	29,665	29,183
Craft and kindred workers	12,676	12,800	12,516	12,316	12,207	12,229	12,342	12,253
Operatives, except transport	10,608	9,027	10,524	9,585	9,655	9,453	9,257	8,938
Transport equipment operatives	3,562	3,430	3,506	3,419	3,414	3,439	3,268	3,369
Nonfarm laborers	4,764	4,638	4,722	4,607	4,841	4,488	4,598	4,583
Service workers	13,126	13,753	13,391	13,738	13,791	13,634	13,926	14,029
Farm workers	2,925	2,888	2,743	2,731	2,660	2,750	2,711	2,714
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,568	1,661	1,461	1,541	1,431	1,530	1,568	1,538
Self-employed workers	1,769	1,681	1,643	1,698	1,676	1,674	1,613	1,562
Unpaid family workers	272	270	256	236	251	250	254	255
Nonagricultural industries:								
Wage and salary workers	89,195	88,399	89,376	89,051	88,686	88,541	88,737	88,650
Government	15,325	15,534	15,475	15,422	15,635	15,443	15,569	15,691
Private industries	73,871	72,865	73,901	73,629	72,970	73,098	73,168	72,959
Private households	1,093	1,212	1,102	1,202	1,201	1,200	1,242	1,229
Other industries	72,778	71,653	72,799	72,427	71,770	71,898	71,927	71,730
Self-employed workers	7,177	7,456	7,217	7,269	7,319	7,268	7,352	7,478
Unpaid family workers	408	384	399	382	397	390	409	372
PERSONS AT WORK[1]								
Nonagricultural industries	91,423	91,815	90,878	91,282	91,020	90,501	90,508	91,054
Full-time schedules	74,839	72,775	73,794	73,036	72,662	72,430	72,112	71,700
Part time for economic reasons	4,194	5,924	4,656	5,763	5,444	5,492	5,648	6,600
Usually work full time	1,571	2,286	1,759	2,311	2,064	2,001	2,054	2,571
Usually work part time	2,623	3,638	2,897	3,552	3,380	3,491	3,594	4,029
Part time for noneconomic reasons	12,390	12,716	12,428	12,483	12,914	12,579	12,748	12,754

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1981		1982			1982		
	III	IV	I	II	III	July	Aug.	Sept.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	2.0	2.1	2.5	3.0	3.3	3.2	3.3	3.5
U-2 Job losers as a percent of the civilian labor force	3.8	4.5	4.9	5.5	5.9	5.6	5.7	6.4
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	5.3	6.1	6.5	7.2	7.5	7.5	7.3	7.9
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	7.0	8.1	8.6	9.3	9.7	9.5	9.6	10.1
U-5 Total unemployed as a percent of the civilian labor force (official measure)	7.4	8.3	8.8	9.5	9.9	9.8	9.8	10.1
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	9.6	10.8	11.4	12.1	12.7	12.3	12.4	13.0
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	10.4	11.8	12.5	13.4	14.1	N.A.	N.A.	N.A.

N.A. = not available.

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Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rate					
	Sept. 1981	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
CHARACTERISTIC								
Total, 16 years and over	8,236	11,260	7.6	9.5	9.5	9.8	9.8	10.1
Men, 20 years and over	3,569	5,579	6.2	8.4	8.7	8.8	8.9	9.5
Women, 20 years and over	2,918	3,656	6.9	8.3	8.1	8.4	8.2	9.1
Both sexes, 16-19 years	1,749	2,025	19.7	23.1	22.3	24.1	24.0	23.7
Married men, spouse present	1,765	3,306	4.4	6.1	6.5	6.6	6.7	7.3
Married women, spouse present	1,566	1,965	6.0	7.4	7.0	7.4	7.1	7.5
Women who maintain families	601	726	10.7	11.8	12.4	12.0	11.6	12.4
Full-time workers	6,157	9,599	7.3	9.2	9.4	9.5	9.6	10.1
Part-time workers	1,562	1,768	9.6	10.5	9.8	11.4	10.3	10.9
Labor force time lost[1]	--	--	8.5	11.1	10.2	10.7	10.7	11.7
OCCUPATION[2]								
White-collar workers	2,263	2,721	4.1	4.8	5.0	4.9	4.8	4.8
Professional and technical	477	565	2.8	3.3	3.3	3.3	3.1	3.2
Managers and administrators, except farm	320	433	2.7	3.5	3.8	3.7	3.8	3.6
Sales workers	381	375	5.0	5.2	5.8	5.4	5.5	5.4
Clerical workers	1,125	1,349	5.8	6.8	6.9	6.9	6.7	6.7
Blue-collar workers	3,567	5,382	10.2	13.5	13.9	14.4	14.2	15.6
Craft and kindred workers	1,048	1,564	7.7	9.4	10.3	10.9	10.6	11.4
Operatives, except transport	1,385	2,267	11.6	16.5	16.7	17.4	17.5	20.2
Transport equipment operatives	332	443	8.7	11.8	13.0	11.6	12.5	11.5
Nonfarm laborers	806	1,088	10.6	18.3	17.9	18.6	17.8	19.2
Service workers	1,321	1,676	9.0	11.3	9.9	10.5	10.6	10.7
Farm workers	115	186	4.0	8.3	7.2	6.1	6.9	5.1
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,166	8,728	7.7	9.9	10.0	10.2	10.1	10.7
Construction	852	1,178	16.3	18.8	19.2	20.3	20.3	22.6
Manufacturing	1,822	3,107	7.9	11.6	12.3	12.0	12.1	13.9
Durable goods	1,076	1,990	7.7	12.2	13.2	12.7	12.9	14.9
Nondurable goods	746	1,117	8.3	10.7	11.0	11.0	10.8	12.3
Transportation and public utilities	286	359	4.2	6.5	6.9	6.1	7.0	6.9
Wholesale and retail trade	1,700	2,055	8.5	10.6	9.7	10.5	9.8	9.8
Finance and service industries	1,483	1,787	6.0	6.9	6.8	7.0	7.0	6.8
Government workers	770	860	4.7	5.0	4.6	4.6	4.6	4.9
Agricultural wage and salary workers	181	219	11.0	18.2	16.3	13.8	14.3	12.5

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Sept. 1981	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
DURATION								
Less than 5 weeks	3,648	4,135	3,529	3,874	3,543	3,990	3,923	4,038
5 to 14 weeks	2,280	3,185	2,565	3,320	3,458	3,161	3,304	3,595
15 weeks and over	1,956	3,375	2,248	3,286	3,673	3,580	3,631	3,870
15 to 26 weeks	949	1,545	1,146	1,634	1,826	1,792	1,810	1,856
27 weeks and over	1,007	1,829	1,102	1,652	1,847	1,788	1,821	2,014
Average (mean) duration, in weeks	13.0	15.9	13.7	14.6	14.5	15.6	14.2	14.6
Median duration, in weeks	6.0	8.4	6.9	9.0	9.8	8.3	8.2	9.5
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	46.3	38.7	42.2	37.0	33.2	37.2	36.1	35.1
5 to 14 weeks	28.9	29.8	30.9	31.7	32.4	29.5	30.4	31.3
15 weeks and over	24.8	31.6	26.9	31.4	34.4	33.4	33.4	33.6
15 to 26 weeks	12.0	14.5	13.7	15.6	17.1	16.7	16.7	16.1
27 weeks and over	12.8	17.1	13.2	15.8	17.3	16.7	16.8	17.5

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Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Sept. 1981	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
NUMBER OF UNEMPLOYED								
Lost last job	3,801	6,083	4,426	5,901	6,302	6,177	6,347	7,073
On layoff	1,093	2,018	1,452	1,969	2,071	2,079	2,180	2,669
Other job losers	2,708	4,065	2,974	3,932	4,231	4,098	4,167	4,404
Left last job	1,035	861	921	874	813	813	806	767
Reentered labor force	2,129	2,487	2,058	2,438	2,372	2,528	2,480	2,615
Seeking first job	918	1,264	977	1,154	1,088	1,249	1,328	1,326
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	48.2	56.5	52.8	56.9	59.6	57.4	58.1	61.1
On layoff	13.9	18.9	17.3	19.0	19.6	19.3	20.0	23.0
Other job losers	34.3	38.0	35.5	37.9	40.0	38.1	38.2	38.0
Job leavers	13.1	8.0	11.0	8.4	7.7	7.5	7.4	6.6
Reentrants	27.0	23.3	24.6	23.5	22.4	23.5	22.3	20.8
New entrants	11.6	11.8	11.7	11.1	10.3	11.6	12.2	11.4
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.5	5.3	4.1	5.3	5.7	5.6	5.7	6.4
Job leavers	1.0	.8	.8	.8	.7	.7	.7	.7
Reentrants	2.0	2.2	1.9	2.2	2.2	2.3	2.2	2.2
New entrants	.8	1.1	.9	1.0	1.0	1.1	1.2	1.2

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rate					
	Sept. 1981	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
Total, 16 years and over	8,236	11,260	7.6	9.5	9.5	9.8	9.8	10.1
16 to 24 years	3,721	4,983	16.9	17.4	17.1	17.8	18.1	18.2
16 to 19 years	1,749	2,025	19.7	23.1	22.3	24.1	24.0	23.7
16 to 17 years	772	896	21.4	25.3	23.7	26.1	25.8	26.9
18 to 19 years	983	1,133	18.5	21.3	21.9	22.8	22.6	21.6
20 to 24 years	1,972	2,958	13.3	14.3	14.4	14.5	15.2	15.3
25 years and over	4,540	6,799	5.4	7.1	7.4	7.5	7.3	7.9
25 to 54 years	4,010	6,112	5.6	7.7	7.7	7.9	7.8	8.6
55 years and over	572	789	3.8	4.8	5.4	5.2	5.1	5.1
Men, 16 years and over	4,506	6,704	7.3	9.6	9.7	9.9	10.0	10.7
16 to 24 years	2,068	2,620	15.5	18.5	18.6	19.0	19.5	20.1
16 to 19 years	937	1,125	19.9	24.0	24.2	25.1	25.1	25.3
16 to 17 years	421	514	21.5	26.3	25.8	28.1	27.3	29.6
18 to 19 years	521	616	18.7	21.9	24.0	23.4	23.4	22.6
20 to 24 years	1,131	1,495	13.1	15.5	15.8	15.9	16.6	17.4
25 years and over	2,455	4,103	5.8	6.9	7.5	7.5	7.5	8.2
25 to 54 years	2,173	3,691	5.5	7.5	8.0	8.1	8.0	9.1
55 years and over	317	493	3.5	4.7	5.0	4.8	5.0	5.0
Women, 16 years and over	3,730	4,556	8.0	9.5	9.1	9.6	9.5	9.5
16 to 24 years	1,653	1,863	14.3	16.2	15.4	16.5	16.5	16.1
16 to 19 years	812	900	19.5	22.1	20.2	23.1	22.8	21.9
16 to 17 years	351	382	21.2	24.1	21.4	24.1	24.2	23.9
18 to 19 years	462	517	18.3	20.6	19.7	22.2	21.7	20.6
20 to 24 years	841	963	11.4	12.9	12.9	12.9	13.7	12.9
25 years and over	2,085	2,696	6.8	7.4	7.2	7.4	7.0	7.4
25 to 54 years	1,837	2,421	6.3	8.0	7.4	7.7	7.5	8.0
55 years and over	255	296	4.3	5.0	6.0	6.0	6.4	6.7

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Table A-9. Employment status of black and other workers

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1981	Aug. 1982	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
Civilian noninstitutional population[1]	22,222	22,975	23,038	22,222	22,777	22,761	22,795	22,975	23,038
Civilian labor force	13,556	14,536	14,200	13,617	14,097	13,947	14,027	14,232	14,287
Participation rate	61.0	63.2	61.6	61.3	61.9	61.3	61.5	61.9	62.0
Employed	11,611	11,988	11,676	11,607	11,669	11,560	11,594	11,738	11,687
Unemployed	1,945	2,538	2,523	2,010	2,429	2,387	2,433	2,494	2,595
Unemployment rate	14.3	17.5	17.8	14.8	17.2	17.1	17.3	17.5	18.2

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Sept. 1981	Sept. 1982	Sept. 1981	Sept. 1982	Sept. 1981	Sept. 1982	Sept. 1981	Sept. 1982	Sept. 1981	Sept. 1982
VETERANS										
Total, 25 years and over	8,598	8,711	8,178	8,210	7,789	7,589	389	621	4.8	7.6
25 to 29 years	7,316	7,088	7,007	6,790	6,706	6,245	341	545	4.8	8.0
25 to 29 years	1,440	1,152	1,337	1,090	1,248	965	89	125	6.7	11.5
30 to 34 years	3,259	2,847	3,161	2,719	3,019	2,590	142	229	4.5	8.4
35 to 39 years	2,617	3,089	2,549	2,981	2,439	2,790	110	191	4.3	6.4
40 years and over	1,282	1,623	1,131	1,420	1,083	1,344	48	76	4.2	5.4
NONVETERANS										
Total, 25 to 39 years	17,416	18,815	16,075	17,440	15,551	15,843	524	1,597	3.6	9.2
25 to 29 years	7,931	8,225	7,483	7,748	6,997	6,926	486	822	6.5	10.6
30 to 34 years	5,595	6,079	5,219	5,782	5,026	5,298	193	484	3.5	8.4
35 to 39 years	3,890	4,111	3,473	3,910	3,528	3,619	145	291	3.9	7.4

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

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Table A-11. Persons not in labor force by reason, sex, and race, quarterly averages

(In thousands)

Reason, sex, and race	Not seasonally adjusted		Seasonally adjusted				
	1981	1982	1981		1982		
	III	III	III	IV	I	II	III
TOTAL							
Total not in labor force	60,788	60,869	61,746	61,834	62,367	61,852	61,807
Do not want a job now	55,316	54,595	56,079	56,053	56,095	55,659	55,197
Current activity: Going to school	3,687	3,603	6,556	6,522	6,323	6,816	6,301
Ill, disabled	4,378	4,076	4,352	4,328	4,020	4,052	4,050
Keeping house	29,075	28,319	28,930	28,535	29,103	28,262	28,134
Retired	12,122	12,661	11,929	12,140	12,105	12,170	12,474
Other	6,053	5,916	4,312	4,536	4,545	4,358	4,237
Want a job now	5,392	6,275	5,668	6,019	6,162	6,676	6,607
Reason not looking: School attendance	821	1,001	1,518	1,569	1,641	1,760	1,768
Ill health, disability	664	729	708	832	775	777	785
Home responsibilities	1,339	1,545	1,176	1,374	1,347	1,511	1,364
Think cannot get a job	1,143	1,687	1,094	1,199	1,339	1,497	1,619
Job-market factors[1]	837	1,277	801	883	1,078	1,076	1,211
Personal factors[2]	305	409	293	316	264	421	408
Other reasons[3]	1,425	1,313	1,171	1,046	1,061	1,150	1,079
Men							
Total not in labor force	17,813	18,308	18,734	18,733	19,122	18,938	19,078
Do not want a job now	16,246	16,351	16,952	16,862	16,837	16,961	16,995
Want a job now	1,567	1,953	1,831	2,000	2,096	2,175	2,289
Reason not looking: School attendance	371	493	725	727	901	912	948
Ill health, disability	293	315	323	418	379	331	349
Think cannot get a job	431	652	383	435	516	586	584
Other reasons[3]	473	494	399	365	360	346	407
Women							
Total not in labor force	42,695	42,565	43,012	43,101	43,245	42,914	42,732
Do not want a job now	39,070	38,244	39,127	39,191	39,259	38,698	38,202
Want a job now	3,624	4,321	3,836	4,019	4,067	4,099	4,318
Reason not looking: School attendance	450	509	793	782	740	827	820
Ill health, disability	371	414	385	418	456	446	436
Home responsibilities	1,339	1,545	1,176	1,374	1,347	1,511	1,364
Think cannot get a job	712	1,035	711	764	823	911	1,035
Other reasons	752	819	772	681	701	804	663
White							
Total not in labor force	52,296	52,359	53,186	53,240	53,623	53,016	53,030
Do not want a job now	48,315	47,809	48,982	48,852	49,065	48,671	48,391
Want a job now	3,980	4,551	4,116	4,401	4,414	4,761	4,788
Reason not looking: School attendance	532	684	990	1,156	1,177	1,217	1,237
Ill health, disability	472	515	504	568	513	567	548
Home responsibilities	1,005	1,192	863	1,034	1,006	1,046	1,039
Think cannot get a job	765	1,094	744	807	868	1,002	1,067
Other reasons	1,206	1,066	1,015	836	850	912	896
Black and other							
Total not in labor force	8,492	8,510	8,653	8,599	8,744	8,773	8,755
Do not want a job now	7,000	6,787	7,217	7,104	6,844	6,829	6,969
Want a job now	1,492	1,723	1,558	1,589	1,836	1,894	1,813
Reason not looking: School attendance	289	317	497	451	473	497	497
Ill health, disability	192	214	203	234	277	229	233
Home responsibilities	335	353	312	348	361	445	325
Think cannot get a job	378	592	351	364	521	491	545
Other reasons	218	247	194	192	204	232	214

[1] Job market factors include "could not find job" and "thinks no job available."

[2] Personal factors include "employers think too young or old," "lacks education or training," and "other personal handicap."

[3] Includes small number of men not looking for work because of home responsibilities.

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Table A-12. Employment status of the noninstitutional population for ten large States

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted					
	Sept. 1981	Aug. 1982	Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982	Sept. 1982
California									
Civilian noninstitutional population[2]	18,087	18,397	18,424	18,087	18,322	18,367	18,374	18,397	18,424
Civilian labor force	11,707	12,303	12,203	11,758	12,150	12,188	12,203	12,135	12,265
Employed	10,890	11,054	11,025	10,889	10,993	11,033	10,916	10,882	11,027
Unemployed	817	1,250	1,178	869	1,157	1,155	1,287	1,253	1,238
Unemployment rate	7.0	10.2	9.7	7.4	9.5	9.5	10.5	10.3	10.1
Florida									
Civilian noninstitutional population[2]	7,955	8,224	8,248	7,955	8,155	8,178	8,201	8,224	8,248
Civilian labor force	4,561	4,865	4,937	4,568	4,703	4,690	4,769	4,832	4,941
Employed	4,191	4,486	4,531	4,233	4,332	4,339	4,419	4,458	4,570
Unemployed	369	379	406	335	371	351	350	374	371
Unemployment rate	8.1	7.8	8.2	7.3	7.9	7.5	7.3	7.7	7.5
Illinois									
Civilian noninstitutional population[2]	8,512	8,560	8,564	8,512	8,552	8,554	8,558	8,560	8,564
Civilian labor force	5,569	5,718	5,661	5,591	5,611	5,638	5,671	5,663	5,664
Employed	5,123	5,066	4,958	5,118	4,994	5,005	4,975	4,997	4,958
Unemployed	446	651	683	473	617	635	696	662	706
Unemployment rate	8.0	11.4	12.1	8.5	11.0	11.3	12.3	11.8	12.5
Massachusetts									
Civilian noninstitutional population[2]	4,448	4,497	4,501	4,448	4,486	4,490	4,494	4,497	4,501
Civilian labor force	2,939	3,124	3,064	2,964	3,039	3,016	3,066	3,078	3,083
Employed	2,744	2,886	2,838	2,769	2,775	2,751	2,775	2,833	2,860
Unemployed	195	238	226	195	264	265	291	245	223
Unemployment rate	6.6	7.6	7.4	6.6	8.7	8.8	9.5	7.9	7.2
Michigan									
Civilian noninstitutional population[2]	6,776	6,784	6,786	6,776	6,785	6,784	6,784	6,784	6,786
Civilian labor force	4,296	4,379	4,307	4,304	4,328	4,268	4,333	4,349	4,311
Employed	3,836	3,742	3,682	3,791	3,711	3,655	3,709	3,687	3,627
Unemployed	460	637	624	513	617	613	624	662	684
Unemployment rate	10.7	14.5	14.5	11.9	14.3	14.4	14.4	15.2	15.9
New Jersey									
Civilian noninstitutional population[2]	5,650	5,707	5,712	5,650	5,694	5,699	5,703	5,707	5,712
Civilian labor force	3,491	3,660	3,596	3,530	3,669	3,619	3,628	3,636	3,648
Employed	3,272	3,340	3,288	3,289	3,348	3,323	3,329	3,301	3,311
Unemployed	220	320	308	241	321	296	299	335	337
Unemployment rate	6.3	8.7	8.6	6.8	9.2	8.2	8.0	9.2	9.2
New York									
Civilian noninstitutional population[2]	13,615	13,309	13,318	13,615	13,491	13,497	13,504	13,309	13,316
Civilian labor force	7,902	8,161	7,981	8,006	8,101	8,081	8,040	8,046	8,009
Employed	7,352	7,476	7,334	7,443	7,439	7,371	7,381	7,362	7,323
Unemployed	551	683	647	563	662	710	659	684	686
Unemployment rate	7.0	8.4	8.4	7.0	8.2	8.8	8.2	8.5	8.6
Ohio									
Civilian noninstitutional population[2]	8,014	8,038	8,039	8,014	8,036	8,036	8,038	8,038	8,039
Civilian labor force	5,076	5,235	5,122	5,032	5,108	5,201	5,128	5,137	5,078
Employed	4,566	4,578	4,492	4,514	4,512	4,563	4,522	4,484	4,442
Unemployed	510	657	629	518	596	638	606	653	636
Unemployment rate	10.0	12.5	12.3	10.3	11.7	12.3	11.8	12.7	12.5
Pennsylvania									
Civilian noninstitutional population[2]	9,102	9,149	9,152	9,102	9,141	9,144	9,147	9,149	9,152
Civilian labor force	5,444	5,593	5,493	5,461	5,471	5,396	5,492	5,542	5,511
Employed	4,997	5,018	4,892	4,998	4,903	4,870	4,898	4,959	4,889
Unemployed	448	575	601	463	568	526	594	583	622
Unemployment rate	8.2	10.3	10.9	8.5	10.4	9.7	10.8	10.5	11.3
Texas									
Civilian noninstitutional population[2]	10,820	10,920	10,946	10,820	10,844	10,869	10,893	10,920	10,946
Civilian labor force	7,140	7,374	7,311	7,123	7,315	7,338	7,313	7,358	7,314
Employed	6,756	6,853	6,796	6,734	6,846	6,824	6,803	6,867	6,703
Unemployed	384	519	517	389	469	514	510	491	611
Unemployment rate	5.4	7.0	8.0	5.5	6.4	7.0	7.0	6.7	8.4

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

[2] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

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ESTABLISHMENT DATA

Table B-1. Employees on nonagricultural payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1981	July 1982	Aug. 1982 p	Sept. 1982 p	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982 p	Sept. 1982 p
Total	91,620	89,238	89,013	89,299	91,363	90,186	89,839	89,535	89,268	89,038
Goods-producing	26,066	23,959	23,984	24,006	25,583	24,255	23,994	23,840	23,639	23,546
Mining	1,201	1,119	1,100	1,089	1,192	1,152	1,124	1,100	1,082	1,080
Construction	4,366	4,147	4,160	4,119	4,124	3,988	3,940	3,927	3,895	3,890
Manufacturing	20,499	18,693	18,724	18,798	20,267	19,115	18,930	18,813	18,662	18,576
Production workers	14,304	12,618	12,662	12,789	14,087	13,008	12,852	12,760	12,637	12,580
Durable goods	12,272	11,052	10,928	10,985	12,184	11,332	11,203	11,133	10,984	10,904
Production workers	8,423	7,297	7,189	7,280	8,345	7,553	7,443	7,388	7,263	7,205
Lumber and wood products	680.9	626.3	630.6	633.5	661	617	615	614	612	615
Furniture and fixtures	474.9	426.1	439.1	443.3	473	443	442	439	443	441
Stone, clay, and glass products	652.0	587.9	584.0	585.8	638	586	580	579	574	573
Primary metal products	1,131.7	902.1	886.7	885.1	1,125	945	926	906	888	880
Fabricated metal products	1,615.8	1,425.6	1,418.4	1,427.4	1,604	1,472	1,452	1,446	1,427	1,416
Machinery, except electrical	2,536.2	2,260.0	2,209.7	2,209.5	2,539	2,377	2,322	2,274	2,232	2,212
Electric and electronic equipment	2,120.0	2,002.3	1,992.1	2,002.5	2,113	2,034	2,026	2,018	2,004	1,997
Transportation equipment	1,904.9	1,734.6	1,673.3	1,707.6	1,884	1,755	1,745	1,759	1,718	1,689
Instruments and related products	732.8	707.6	703.3	699.7	734	713	708	708	702	700
Miscellaneous manufacturing	423.8	379.6	388.7	391.0	413	390	387	390	384	381
Nondurable goods	8,227	7,641	7,796	7,813	8,083	7,783	7,727	7,680	7,678	7,672
Production workers	5,881	5,321	5,473	5,509	5,742	5,455	5,409	5,372	5,374	5,375
Food and kindred products	1,763.2	1,668.1	1,724.8	1,725.3	1,658	1,652	1,637	1,643	1,626	1,622
Tobacco manufactures	75.7	60.9	68.9	69.1	69	67	67	65	65	63
Textile mill products	831.9	726.5	737.5	740.5	827	759	741	741	737	736
Apparel and other textile products	1,270.5	1,093.0	1,153.1	1,160.2	1,253	1,165	1,161	1,126	1,146	1,143
Paper and allied products	697.1	657.9	658.6	661.2	695	661	658	657	656	659
Printing and publishing	1,270.0	1,263.2	1,264.5	1,265.5	1,274	1,274	1,269	1,267	1,270	1,269
Chemicals and allied products	1,110.1	1,074.3	1,074.0	1,067.8	1,110	1,079	1,073	1,068	1,070	1,068
Petroleum and coal products	218.0	209.3	209.6	213.3	216	207	205	205	205	211
Rubber and misc. plastics products	752.9	689.3	696.3	699.6	746	708	704	700	697	693
Leather and leather products	237.4	198.4	211.2	210.3	235	211	212	208	208	208
Service-producing	65,554	65,279	65,029	65,293	65,780	65,911	65,845	65,695	65,629	65,492
Transportation and public utilities	5,227	5,054	5,034	5,068	5,181	5,101	5,078	5,044	5,024	5,023
Wholesale and retail trade	20,731	20,600	20,560	20,569	20,660	20,652	20,595	20,615	20,544	20,488
Wholesale trade	5,388	5,313	5,304	5,282	5,383	5,331	5,307	5,299	5,288	5,277
Retail trade	15,343	15,285	15,256	15,287	15,277	15,321	15,288	15,316	15,256	15,211
Finance, insurance, and real estate	5,327	5,423	5,415	5,367	5,328	5,342	5,352	5,359	5,361	5,367
Services	18,740	19,194	19,156	19,092	18,707	18,983	18,988	19,042	19,042	19,056
Government	15,529	15,008	14,864	15,197	15,904	15,853	15,832	15,635	15,658	15,560
Federal government	2,735	2,794	2,773	2,704	2,764	2,728	2,739	2,737	2,740	2,734
State and local government	12,794	12,214	12,091	12,493	13,140	13,125	13,093	12,898	12,918	12,826

p = preliminary.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1981	July 1982	Aug. 1982 p	Sept. 1982 p	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982 p	Sept. 1982 p
Total private	35.1	35.2	35.2	34.8	35.0	35.0	34.9	34.9	34.8	34.8
Mining	43.9	42.5	42.5	41.5	(2)	(2)	(2)	(2)	(2)	(2)
Construction	35.8	38.0	37.6	36.9	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	39.5	38.9	39.0	38.8	39.4	39.1	39.2	39.2	39.0	38.6
Overtime hours	2.9	2.3	2.4	2.5	2.7	2.3	2.4	2.4	2.4	2.3
Durable goods	39.8	39.2	39.2	38.8	39.7	39.6	39.7	39.7	39.4	38.7
Overtime hours	2.8	2.1	2.2	2.2	2.7	2.2	2.3	2.2	2.2	2.1
Lumber and wood products	37.9	38.6	38.9	38.4	37.6	38.5	38.7	38.6	38.3	38.1
Furniture and fixtures	37.7	36.8	38.2	37.5	37.4	37.3	37.8	37.6	38.0	37.2
Stone, clay, and glass products	40.6	40.6	40.6	40.6	40.3	40.2	40.4	40.6	40.3	40.3
Primary metal products	40.8	38.5	38.4	3 9	40.6	38.5	38.9	38.9	38.9	37.7
Fabricated metal products	39.7	38.9	39.0	38.6	39.6	39.5	39.4	39.5	39.1	38.5
Machinery, except electrical	40.4	39.1	39.0	38.9	40.3	39.8	39.6	39.8	39.4	38.8
Electric and electronic equipment	39.7	39.1	39.1	38.7	39.7	39.4	39.5	39.8	39.3	38.7
Transportation equipment	39.9	40.6	40.0	39.2	40.1	41.1	41.6	41.0	40.5	39.5
Instruments and related products	40.4	39.5	39.9	39.5	40.4	40.2	40.2	40.1	40.1	39.5
Miscellaneous manufacturing	38.7	38.2	38.6	38.4	38.4	38.7	38.6	38.7	38.6	38.1
Nondurable goods	39.1	38.5	38.7	38.7	38.9	38.5	38.6	38.6	38.5	38.5
Overtime hours	3.1	2.5	2.7	2.9	2.8	2.5	2.5	2.6	2.6	2.6
Food and kindred products	39.8	39.6	39.7	39.9	39.3	39.4	39.5	39.5	39.2	39.4
Tobacco manufactures	40.2	36.8	38.4	39.5	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	38.9	37.2	38.3	38.2	38.8	37.9	37.8	37.7	38.2	38.1
Apparel and other textile products	35.2	35.4	35.3	34.9	35.2	34.6	35.1	35.2	34.9	35.0
Paper and allied products	43.2	41.6	41.7	41.7	43.0	41.8	42.0	41.9	41.8	41.5
Printing and publishing	37.4	36.9	37.1	37.3	37.1	36.8	37.1	37.0	36.8	37.1
Chemicals and allied products	42.2	40.7	40.6	41.3	42.2	41.0	41.0	40.9	40.8	41.3
Petroleum and coal products	44.4	44.0	44.3	44.4	43.1	44.1	44.1	43.3	44.2	43.0
Rubber and misc. plastics products	39.7	39.6	39.7	39.5	39.7	39.9	40.1	40.2	39.7	39.5
Leather and leather products	36.0	38.1	36.3	35.5	36.2	35.6	35.7	36.1	36.1	35.7
Transportation and public utilities	39.2	39.2	39.3	39.2	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale and retail trade	32.2	32.6	32.6	32.2	32.1	32.0	31.9	31.9	31.9	32.1
Wholesale trade	38.5	38.7	38.6	38.3	38.5	38.5	38.6	38.5	38.5	38.3
Retail trade	30.2	30.7	30.7	30.3	30.1	30.0	29.8	29.9	29.9	30.2
Finance, insurance, and real estate	36.0	36.2	36.3	35.9	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.4	33.1	33.1	32.7	32.5	32.7	32.7	32.6	32.7	32.8

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonagricultural payrolls.

[2] This series is not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

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Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Sept. 1981	July 1982	Aug. p 1982	Sept. p 1982	Sept. 1981	July 1982	Aug. p 1982	Sept. p 1982
Total private	$7.40	$7.67	$7.69	$7.76	$259.74	$269.98	$270.69	$270.05
Seasonally adjusted	7.37	7.71	7.73	7.72	257.95	269.08	269.00	268.66
Mining	10.27	10.91	10.88	11.03	430.85	463.68	462.40	457.75
Construction	11.07	11.53	11.61	11.72	396.31	438.14	436.54	432.47
Manufacturing	8.16	8.55	8.51	8.59	322.32	332.60	331.89	333.29
Durable goods	8.70	9.11	9.10	9.16	346.26	357.11	356.72	355.41
Lumber and wood products	7.16	7.64	7.62	7.67	271.36	294.90	296.42	294.53
Furniture and fixtures	6.01	6.34	6.39	6.38	226.58	233.31	244.10	239.25
Stone, clay, and glass products	8.53	8.9	8.92	9.04	344.32	362.56	362.15	367.02
Primary metal products	11.22	11.3.	11.51	11.60	457.78	437.75	441.98	439.64
Fabricated metal products	8.33	8.85	8.86	8.90	330.70	344.27	345.54	343.54
Machinery, except electrical	8.96	9.30	9.33	9.38	361.98	365.63	363.87	364.88
Electric and electronic equipment	7.75	8.18	8.24	8.32	307.68	319.84	322.18	321.98
Transportation equipment	10.49	11.25	11.19	11.24	418.55	436.75	447.60	440.61
Instruments and related products	7.59	8.31	8.45	8.47	306.64	328.25	337.16	334.57
Miscellaneous manufacturing	6.05	6.40	6.38	6.48	234.14	244.48	246.27	248.83
Nondurable goods	7.36	7.77	7.74	7.83	287.78	299.15	299.54	303.02
Food and kindred products	7.36	7.88	7.87	7.89	300.89	312.05	313.44	314.81
Tobacco manufactures	8.76	10.42	9.42	9.39	352.15	383.46	361.73	370.91
Textile mill products	5.69	5.81	5.82	5.86	221.34	216.13	232.91	223.85
Apparel and other textile products	5.04	5.17	5.18	5.20	177.41	183.02	182.85	181.48
Paper and allied products	8.93	9.41	9.44	9.62	386.64	391.46	393.65	401.15
Printing and publishing	8.37	8.74	8.79	8.87	313.04	322.51	326.11	330.85
Chemicals and allied products	9.38	10.02	>0.01	10.20	395.84	407.81	406.41	421.26
Petroleum and coal products	11.53	12.42	12.40	12.56	512.82	546.48	549.32	557.66
Rubber and misc. plastics products	7.29	7.65	7.64	7.74	289.41	302.94	303.31	305.73
Leather and leather products	5.09	5.30	5.35	5.43	183.24	191.33	196.21	192.77
Transportation and public utilities	9.95	10.29	10.41	10.46	390.04	403.37	409.11	410.03
Wholesale and retail trade	6.04	6.21	6.22	6.24	194.49	202.45	202.77	200.93
Wholesale trade	7.70	8.07	8.10	8.12	296.45	312.31	312.66	311.00
Retail trade	5.37	5.48	5.48	5.50	162.17	168.24	168.24	166.65
Finance, insurance, and real estate	6.39	6.78	6.86	6.90	230.04	245.44	249.02	247.71
Services	6.52	6.87	6.89	6.98	231.25	227.40	228.06	228.25

[1] See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

Table B-4. Hourly Earnings Index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted					Seasonally adjusted						
	Sept. 1981	July 1982	Aug. 1982 p	Sept. 1982 p	Percent change from: Sept. 1981–Sept. 1982	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982 p	Sept. 1982 p	Percent change from: Aug. 1982–Sept. 1982
Total private nonfarm:												
Current dollars	141.7	148.6	149.2	150.2	6.0	141.4	147.7	148.1	148.9	149.8	149.9	0.1
Constant (1977) dollars	92.1	92.4	92.6	N.A.	(2)	92.1	93.7	93.1	93.0	93.2	N.A.	(3)
Mining[4]	151.7	161.3	161.0	162.9	7.4	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Construction	135.5	140.8	141.6	142.9	5.5	133.5	139.9	139.7	140.6	140.7	140.8	(5)
Manufacturing	144.7	153.3	153.6	154.6	6.8	144.7	151.8	152.5	153.3	154.2	154.6	.2
Transportation and public utilities	143.0	148.3	150.0	151.2	5.8	141.5	148.2	149.1	148.9	150.0	149.7	-.2
Wholesale and retail trade	141.0	145.5	145.8	146.3	3.8	141.0	145.1	145.2	145.7	146.4	146.3	-.1
Finance, insurance, and real estate	139.8	148.3	150.1	150.7	7.8	140.4	148.0	147.2	148.6	150.5	151.3	.5
Services	139.7	147.8	148.2	149.5	7.0	139.7	146.3	147.3	148.7	149.6	149.5	-.1

1 See footnote 1, table B-2.
2 Percent change was .8 from August 1981 to August 1982, the latest month available.
3 Percent change was .3 from July 1982 to August 1982, the latest month available.
4 Mining is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.
5 Percent change is less than .05 percent
N.A. = not available.
p = preliminary.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1981	July 1982	Aug. 1982 p	Sept. 1982 p	Sept. 1981	May 1982	June 1982	July 1982	Aug. 1982 p	Sept. 1982 p
Total private	109.0	106.3	106.0	105.0	107.8	105.7	104.9	104.8	104.1	103.8
Goods-producing	102.8	91.5	91.7	91.4	99.8	93.3	91.9	91.4	29.9	88.6
Mining	145.0	126.2	123.7	120.1	142.7	133.6	128.2	125.1	121.4	118.1
Construction	111.5	111.1	110.7	107.3	102.4	104.5	103.0	101.9	100.4	98.6
Manufacturing	99.1	86.1	86.6	86.9	97.3	89.2	88.4	87.8	86.4	85.2
Durable goods	98.4	84.0	82.8	82.9	97.4	87.8	86.7	86.1	84.0	81.9
Lumber and wood products	87.6	81.3	82.5	81.8	84.1	79.5	79.8	79.4	78.5	78.4
Furniture and fixtures	96.8	82.6	88.6	88.4	95.6	88.1	88.5	87.3	89.2	87.1
Stone, clay, and glass products	93.1	82.2	82.4	82.6	90.1	81.1	80.4	80.8	79.9	79.7
Primary metal products	93.3	67.4	66.0	65.4	92.3	71.0	70.1	68.4	67.2	64.6
Fabricated metal products	96.4	81.1	80.9	80.9	95.4	85.5	84.0	83.9	81.6	79.8
Machinery, except electrical	109.8	89.5	86.2	86.7	109.6	98.0	94.4	92.1	88.8	86.4
Electric and electronic equipment	106.1	94.4	93.6	94.1	105.7	98.0	97.7	97.5	95.2	93.7
Transportation equipment	88.7	80.0	74.7	75.6	88.2	82.3	82.6	83.1	79.3	75.4
Instruments and related products	113.7	104.6	105.1	103.6	114.1	108.5	107.2	106.7	105.6	103.8
Miscellaneous manufacturing	94.2	80.2	83.8	84.5	90.5	84.4	83.6	84.1	82.7	81.0
Nondurable goods	100.1	89.3	92.2	92.9	97.2	91.4	91.0	90.3	90.0	90.2
Food and kindred products	106.2	97.9	102.9	103.8	96.3	96.2	95.4	96.1	94.0	94.1
Tobacco manufactures	112.1	79.6	97.4	100.2	98.3	88.7	91.6	89.8	93.2	87.6
Textile mill products	87.8	72.2	75.5	76.1	87.0	77.0	74.8	74.7	75.2	75.4
Apparel and other textile products	95.0	80.9	85.2	85.4	93.4	85.3	85.8	83.2	84.1	84.3
Paper and allied products	102.4	91.7	92.2	93.2	101.6	92.8	92.5	92.2	91.8	92.3
Printing and publishing	107.2	104.2	104.9	105.9	106.7	105.5	105.9	105.3	104.8	105.6
Chemicals and allied products	103.4	93.9	93.8	95.5	103.2	95.7	94.9	94.0	94.1	95.3
Petroleum and coal products	107.4	98.5	98.6	101.7	102.9	96.7	95.9	94.2	96.1	98.6
Rubber and misc. plastics products	101.4	91.0	92.3	93.0	100.6	94.6	94.9	93.0	93.4	92.3
Leather and leather products	90.0	73.7	79.8	78.1	89.3	78.1	78.4	77.0	78.4	77.5
Service-producing	112.5	114.3	113.9	112.5	112.2	112.5	113.1	113.1	113.2	111.9	112.3
Transportation and public utilities	106.1	102.2	101.9	102.4	105.2	102.6	102.2	101.5	101.2	101.5
Wholesale and retail trade	107.5	108.0	107.6	106.4	106.8	106.5	103.8	106.1	105.5	105.7
Wholesale trade	112.0	110.6	109.8	108.6	112.0	110.3	110.0	109.6	109.2	108.4
Retail trade	105.8	107.0	106.8	105.5	104.9	105.1	104.2	104.7	104.0	104.6
Finance, insurance, and real estate	117.0	119.2	118.9	116.5	117.4	117.9	117.4	117.4	117.2	116.7
Services	119.4	124.8	124.3	122.3	119.6	121.8	121.9	121.8	122.1	122.7

[1] See footnote 1, table B-2.

p = preliminary.

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Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1979				
January	64.2	68.5	72.3	73.7
February	61.6	68.3	71.0	70.4
March	65.6	65.1	68.8	69.1
April	51.6	65.9	63.7	65.6
May	61.8	62.1	59.4	59.7
June	62.4	63.4	53.5	57.3
July	54.3	53.2	58.1	57.5
August	53.5	48.4	49.2	55.9
September	48.9	53.8	49.7	52.2
October	61.8	51.6	51.6	46.0
November	50.3	54.0	51.6	39.8
December	51.1	51.1	47.6	35.5
1980				
January	53.8	50.0	39.8	30.9
February	48.9	47.0	34.1	32.3
March	49.2	35.2	29.3	32.8
April	29.0	28.8	23.1	33.9
May	32.8	23.1	26.6	31.7
June	29.6	28.2	28.8	32.3
July	35.2	34.1	35.8	31.7
August	64.0	51.6	44.1	33.9
September	61.0	69.1	59.1	33.9
October	62.6	67.2	71.2	39.5
November	59.4	64.2	64.0	50.8
December	54.6	58.9	61.0	62.6
1981				
January	56.7	53.5	64.8	73.9
February	48.7	52.2	65.9	71.0
March	51.1	60.2	67.2	70.4
April	68.5	70.2	67.7	62.1
May	65.3	70.4	67.2	50.0
June	54.0	65.9	67.5	43.3
July	59.9	59.4	51.3	35.2
August	50.3	57.0	39.0	33.6
September	50.3	40.1	33.9	31.5
October	34.7	30.6	30.1	27.2
November	28.2	26.3	27.7	27.7
December	31.2	23.4	24.2	25.8
1982				
January	32.5	28.0	21.8	23.1
February	42.5	31.2	27.4	22.8p
March	35.8	33.6	27.4	20.2p
April	40.9	37.1	29.8	
May	51.1	35.8	29.3p	
June	32.0	35.8	30.1p	
July	43.5	27.4p		
August	35.5p	31.7p		
September	47.3p			
October				
November				
December				

[1] Number of employees, seasonally adjusted for 1, 3, and 6 month spans, on payrolls of 186 private nonagricultural industries.
p = preliminary.

NOTE: Figures are the percent of industries with employment rising. (Half of the unchanged components are counted as rising.) Data are centered within the spans.

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Representative REUSS. Thank you, Commissioner Norwood.

What happened to the manufacturing workweek, the number of hours worked in September as opposed to earlier?

Ms. NORWOOD. It is down.

Representative REUSS. In other words, not only did a lot of people lose their job, but those who were working have fewer hours to work?

Ms. NORWOOD. That's right, sir. The manufacturing workweek is down four-tenths of an hour, and in durable manufacturing, it's down more.

Representative REUSS. What is that figure?

Ms. NORWOOD. Seven-tenths of an hour in durable goods manufacturing.

RISING UNEMPLOYMENT IN SERVICE AND RETAIL INDUSTRIES

Representative REUSS. Did I hear you right that not only were things worse in manufacturing, but that unemployment has now spread to the service industry and retail industry, usually thought of as being much more resistant?

Ms. NORWOOD. Yes; for a very long period of time during the current recession, the service-producing sector continued to grow. The recession is now having some effect on the service-producing sector, and this month in retail trade in particular. Government, of course, is declining both at the State and local level and at the Federal Government level.

Representative REUSS. You have just told us that not only is unemployment up by three-tenths of a percentage point, but that the workweek in manufacturing is declining, and unemployment has spread from manufacturing and service and retail trades.

That news is not consistent with talk about recovery, is it?

Ms. NORWOOD. As you know, there are many economic statistics which need to be evaluated, in order to look at recovery and recession. Unemployment often tends to lag at the outset of a recovery, but there is no sign of improvement in the employment situation in these data.

Representative REUSS. Senator Jepsen.

Senator JEPSEN. Thank you, Mr. Chairman.

Ms. Norwood, what percentage of the labor force has been unemployed for 15 weeks or longer?

Ms. NORWOOD. About 34 percent of the unemployed were unemployed for 15 weeks or more.

Senator JEPSEN. Now, I will repeat my question. What percentage of the labor force has been unemployed for 15 weeks or longer? You gave me the total percentage of the unemployed.

Ms. NORWOOD. I'm sorry.

Senator JEPSEN. That's quite a different figure.

Ms. NORWOOD. There were about 3.9 million people who were unemployed 15 weeks or more out of a labor force of roughly 111 million.

Senator JEPSEN. So, about 3.5 percent have been unemployed for 15 weeks or longer. This is markedly different than the 10.1 percent, not that it gives anybody any pleasure to be unemployed for even one day, but it is quite a dramatic figure. Certainly much smaller than the 34 percent you first gave me, and much below the 10.1 percent overall unemployment.

Ms. NORWOOD. Yes, sir, that's correct.

As you know, the Bureau of Labor Statistics publishes several different definitions of unemployment. One of them, U–1, is that rate, 3.5 percent.

Senator JEPSEN. 3.5 percent. Now, what is the standard error of the unemployment statistic?

Ms. NORWOOD. There is, on the national overall average unemployment rate, an error of somewhere between 1 and 2 percent, so that a two-tenths change in the unemployment rate is considered statistically significant, a one-tenth change is not. That's on the national aggregate unemployment rate.

Senator JEPSEN. Verify, please, that these figures are correct.

In January 1981, we had a total employment in this country of 99.9 million.

September of 1982 we had a total employment of 99.7 million.

Ms. NORWOOD. 99.7 in January 1981.

Senator JEPSEN. Total employment, 99.9 million, January 1982.

September 1982, we had a total employment of 99.7 million.

Ms. NORWOOD. That's right, in the household survey.

Senator JEPSEN. 200,000 less, not much of a change in the past 20 months.

Ms. Norwood, isn't a major problem in our unemployment situation lack of skills, rather than lack of jobs? Are not many skilled job openings unfilled?

Ms. NORWOOD. I know that the Conference Board produces a Help Wanted index, but we do not have any current data on that. Clearly, people who lack skills have a harder time in the labor market than those who are skilled.

Senator JEPSEN. I would like to inform everybody in closing, Mr. Chairman, that the President is signing this noon a trade export bill which we hope will provide many jobs. There is also a jobs bill that will provide skills training and retraining to many who need them—filling an estimated 1 million jobs a year. Hopefully, we can get that Jobs bill jarred loose from the Congress here. The President has indicated he is waiting to sign it.

So a critic can kill a play, but very few critics ever write one. We, the GOP, are doing something. The administration is doing something. They, of course, like all of us, care. But what we need are solutions and some resolve to join together and improve our lot. That's exactly what this administration has been working diligently to do from day one.

Thank you, Mr. Chairman.

Representative REUSS. Congressman Mitchell.

Representative MITCHELL. Thank you, Mr. Chairman. I will comment just very briefly on the "significance"—I use that in quotes—of the jobs training bill that has been referred to. If it is the same bill that was acted on in the House, it will not become effective until October 1983. That's very little hope offered to that young man, Jerome, that I referred to.

In addition, I would like to comment on the fact about skilled jobs being made available. One out of five black male adults are unemployed. Almost 20 percent, and it means that the skilled workers

who are black in the Bethlehem Steel Yard are out of work. They have the skills. They don't need any more training. But utility is down. It means that the skilled workers in the shipyards in Maryland, who have enormous skills and can demonstrate the skills, are out of work. It's not a lack of skill. It's a lack of caring on the part of this administration.

DECLINE IN LENGTH OF WORKWEEK

Now, Commissioner Norwood, I want to follow up on what the chairman had to say. He talked about the decline in manufacturing. I want to ask about the factory workweek. Isn't it true that in August, there was a sizable drop in the length of the workweek in factories?

Ms. NORWOOD. Yes.

Representative MITCHELL. Now we see another decline in September; is that correct?

Ms. NORWOOD. Yes.

Representative MITCHELL. Again, I would follow the line of questioning the chairman pursued earlier. If the economy were recovering, wouldn't employees be adding to their working hours rather than reducing them in factories?

Ms. NORWOOD. Yes; in general, factory hours are a leading indicator, and they tend to go up before recovery sets in.

Representative MITCHELL. Thank you. Then, in your opinion, recovery is not in sight, not just around the corner?

Ms. NORWOOD. I said factory hours did not go up, they declined.

PREDICTED GNP GROWTH LOWER THAN IN PAST RECESSION

Representative MITCHELL. Yes; I'm reading into exactly what you said. You also referred to—that there are many other factors that have to be considered in this equation, and certainly one would be the GNP. We've had seven higher recessions, and during those seven recessions, real GNP rose at an annual rate of about 8.1 percent in the two quarters following the recession. In every case, the growth rate has been at least 6 percent.

According to the most recent economic forecast, real GNP, the last two quarters of 1982, will grow by about 3 percent, one-half of about what that pattern has been. In light of that forecast, how much change in unemployment would you expect, if the growth is in the range currently forecast? If GNP is only going to grow about 3 percent, do you expect any appreciable significant change in unemployment?

Ms. NORWOOD. I believe those who are making those forecasts recognize that if the forecasts are correct, we will have relatively high unemployment for many months.

Representative MITCHELL. Thank you.

The recovery, then, is not working. It's not in sight, prosperity is not just around the corner, despite all of the platitudinous statements emanating from the White House.

Thank you very much, Mr. Chairman.

Representative REUSS. You are welcome. Senator Sarbanes.

Senator SARBANES. Mr. Chairman, I first want to address this point raised by my colleague, Senator Jepsen, and also by the President in the recent press conference about the "Help Wanted" ads in the news-

paper. There's this idea abroad that if you see "Help Wanted" ads in the newspaper, it must mean that there's plenty of jobs out there, and why aren't all these people picking up on these ads and getting work? The fact of the matter is that there are always "Help Wanted" ads in the newspaper. Even in the midst of the Great Depression, there were "Help Wanted" ads in the newspaper.

First of all, you have certain businesses that are seeking skilled and trained people, and of course, they advertise for them. You have a certain number of openings that become available under the circumstances.

Now the President in his press conference pointed to the—I'm quoting now from "The Washington Post" of Thursday, September 30—pointed to the "Help Wanted" advertising in newspapers as evidence that jobs do exist for the workers who have skills, a point my colleague from Iowa was trying to make. He recalled that he has pointed to the employment advertising last spring. But the Conference Board, a New York business research organization—I believe that is the organization to which you made reference, Commissioner Norwood——

Ms. NORWOOD. Yes.

Senator SARBANES [continuing]. That monitors "Help Wanted" advertisements in 51 daily metropolitan newspapers across the country, maintains a comparative index of such "Help Wanted" advertising, in which the 1967 level equals 100, in terms of the amount of "Help Wanted" advertising found in those 51 daily metropolitan newspapers. That index stood at 130 in February 1981, Reagan's first full month in office.

In other words, at the beginning of this administration, this "Help Wanted" index maintained by the Conference Board reflected an index figure of 130, a 30-percent increase over what appeared in the newspapers in 1967, which is the year they used as their base. Since then, the index has been sliding almost constantly. Yesterday the Conference Board said "Help Wanted" advertising had lost further ground in August, and the index now stands at 78, compared with July's reading of 83.

Kenneth Goldstein, a Conference Board economist said this continuing weakness in demand for labor signals that unemployment would go even higher.

So we see that "Help Wanted" index which stood at 130 in February 1981, the first full month in office of the Reagan Republican administration, has now slid to 78.

Commissioner Norwood, I want to just make clear—I want to get the full scope of the unemployment perspective. The 10.1-percent figure is the highest figure since when?

Ms. NORWOOD. Since 1940. Of course, for that time period, we only have annual averages.

Senator SARBANES. What was the annual average in 1941?

Ms. NORWOOD. In 1941, it was 9.9 percent.

Senator SARBANES. 9.9 percent. So the 10.1 percent announced this morning, we now have to go back roughly to 1940. Second, that figure does not reflect, does it, the people who have become so discouraged in looking for work that they drop out of the labor pool. They're not counted as part of that unemployment figure; is that correct?

Ms. NORWOOD. That's correct.

Senator SARBANES. If I understand from your testimony, those figures are kept on a quarterly basis; is that correct?

Ms. NORWOOD. Yes.

Senator SARBANES. We now have available the latest quarter?

Ms. NORWOOD. Yes; 1.6 million.

Senator SARBANES. Was that an increase over the previous quarter?

Ms. NORWOOD. Yes, of 120,000.

Senator SARBANES. Is that 1.6 million—is that the highest you ever experienced in the category of discouraged workers?

Ms. NORWOOD. Yes, sir.

Senator SARBANES. What is the situation on part-time employment?

Ms. NORWOOD. Part time, for economic reasons, is also at a record high. It is 6.6 million.

Senator SARBANES. 6.6 million. Are those the workers who wish and seek to work full time, but because of economic circumstances are only working part time?

Ms. NORWOOD. Yes, sir, they may have had their workweeks reduced or could only find part-time jobs.

Senator SARBANES. Is that—that's not reflected in any way in the 10.1-percent figure, is it?

Ms. NORWOOD. No; those people are considered employed.

Senator SARBANES. They are considered employed. Even though they may be working only one-third time or halftime, they're still considered employed and, therefore, not counted even on a partial basis in the 10.1 unemployment figure; is that correct?

Ms. NORWOOD. Yes.

Senator SARBANES. So this 10.1-percent unemployment figure, as devastating as it is, does not reflect the further difficulties that exist in the economy with respect to people so discouraged that they are no longer reflected as seeking work and, therefore, are not counted in the work force, picked up in the unemployment figure or the 6.6 million people who, because of economic circumstances, are compelled to work part time when they would really prefer to work full time; is that correct?

Ms. NORWOOD. That's right. As you know, Senator Sarbanes, we do publish in table A–4, a range of unemployment rates. U–1, which is the rate for those unemployed 15 weeks or longer, was 3.3 percent in the third quarter; and U–7, which includes one-half of the part time for economic reasons, the unemployed and the discouraged, was much higher, at 14.1 percent.

Senator SARBANES. 14.1?

Ms. NORWOOD. 14.1 for the third quarter. That's a quarterly average.

Senator SARBANES. I see my time is up.

Mr. Chairman, may I ask just one final question?

Do I understand also that the workweek shortened in these figures that you're reporting, the factory workweek?

Ms. NORWOOD. The factory workweek is down.

Senator SARBANES. A couple of months ago, I think it was up; was it not?

Ms. NORWOOD. It rose 0.1 of an hour in May and June and was unchanged in July.

Senator SARBANES. That trend has also been reversed; it has gone down?

Ms. NORWOOD. Yes, for 2 months. The last 2 months. It was down in August as well as September.

Senator SARBANES. Thank you.

Representative REUSS. Congressman Hawkins.

Representative HAWKINS. Ms. Norwood, in your statement, you indicate the working-age population with jobs stood at 57. It sounds good, but it shows no comparison.

Is that the lowest level that has been achieved in the last several years? You compare that with what?

I recall at one time it stood about 59, almost 60—at least above 59. At 57, are you making some comparison? Is that a drop in the number of working-age population?

Ms. NORWOOD. In July 1981, the peak before the current recession began, that number was 58.5 percent.

Representative HAWKINS. Wasn't it much higher than that in, let's say, 1979? My recollection is that it was above 59.

Ms. NORWOOD. It averaged 59.2 percent in 1979 and was as high as 59.4 percent in December 1979.

Representative HAWKINS. So, the 57 is a substantial decline?

Ms. NORWOOD. It is a decline.

Representative HAWKINS. So that referring to September as being not a typical month has really no significance when you look at the long-term trend; would you agree?

Ms. NORWOOD. I think we need to look at the data that we have in a time-series fashion. There has been a decline of 1½ points since the recession began, as one would expect. But 57 percent is still relatively high in an historical context.

Representative HAWKINS. You're not really answering my question. You are begging it, I would suggest, because you are indicating—you have indicated several times—that September was not a typical month, which would lead us, optimistically, to hope that we would get a more typical month next month.

Now, I am asking you whether or not the long-term trend, the number of persons who are actually on jobs is declining, is significant?

Ms. NORWOOD. Of course, it's significant. The increase in unemployment is significant as well.

I do want to correct that impression. I have not meant to imply that there's something peculiar about September at all.

TYPICAL SEPTEMBER IMPROVEMENT IN EMPLOYMENT DID NOT OCCUR

All that I was trying to do was to point out that in September, because schools reopen and universities reopen and businesses begin to gear up for the fall seasonal pickup, that the employment situation generally improves.

Because of the changes in, for example, retail sales and a number of other things, that improvement did not occur. That does not mean that September is, by itself, a strange month. The September developments were in keeping with what has been going on.

Representative HAWKINS. I appreciate that.

Yet, on the next page, you say the employment data for September—again, using that month—for schools ordinarily reopening every September—universities enrollment every September—so, that's not

unusual—always reflects an increase in State and local government as school personnel return to their jobs.

This year that increase was far less than usual, you say, partly because of the decline in the school-age population. Decline in the school-age population wasn't something that happened overnight. Certainly, that is something which is, to say the least, at least a year in achieving.

But you seem to indicate that State and local governments were affected by a decline in the school-age population.

Now, granting that that is a significant factor—you did not include any other factor—would you say that budget cuts in education also affected State and local governments?

Would you describe another cause of the budget cuts in education?

Would you also say that revenue loss due to unemployment on a national scale also affected States because the Nation is made up of States?

If they lose revenues due to unemployment, would you not say, in addition to the decline of the school-age population—could you not just have easily have said these causes also were responsible for the drop in State and local government in terms of their problems as well?

Ms. NORWOOD. Of course, the reductions in spending by State and local governments have been affecting the number of people on their payrolls. That has been going on for some time.

All that I was trying to point out in my statement was the fact that in September, in particular, schools open, and we usually have a big increase in the number of teachers who are employed.

The increase on the payrolls of State and local governments was much smaller than it usually is. That was all.

Representative HAWKINS. Mr. Chairman, if I may just make one comment on something that is affecting me personally.

A reference was made this morning—that has been made constantly by the President on the bill which I authored from the House side, at least the job training part, that it is a jobs bill. I have tried to correct this impression. I woud not want people to think that I have so little integrity that I would pass a training bill off as a jobs bill. It is not a jobs bill. It doesn't create one single job. It is a training bill.

I made the point that training is meaningless unless jobs are available. So long as we have economic policies that use unemployment as a means of fighting inflation, we're not going to have the jobs available.

So, I think that correction should be made. I don't want anyone to believe that I have misled anybody by passing a training bill off as a jobs bill.

Representative REUSS. I now recognize Mr. Fauntroy.

Representative FAUNTROY. Thank you, Mr. Chairman.

I want to thank you for allowing me to share this hearing with the Joint Economic Committee, particularly in my capacity as chairman of the Congressional Black Caucus, because, as usual, the serious unemployment problems confronting this Nation reflect themselves most acutely in the black experience, where unemployment, as pointed out, has reached 20.2 percent, twice the average nationally.

On behalf of the people who have been hurt most by the policies of the past 2 years, I want to thank you for giving this panel the opportunity to let the record speak as to who is responsible for record unemployment and record small business failures and a record deficit and a record giveaway of tax resources, all of which have been put in place over the past 2 years. As the distinguished Senator from Maryland has pointed out, the situation which this administration inherited was an economy coming out of recession with increased employment opportunities.

Since July 1, we have been on a decline, and we know why. We know it is because of this budget-busting, spending program led by an increase in the military budget of some $1.7 trillion over the next 5 years. At the same time, we had a raid on the Federal Treasury that has resulted in this record deficit. That has kept these interest rates high which is strangling the economy.

I want to say that had the Congressional Black Caucus budget—which was a balanced budget, providing fair and equitable tax relief for the American people—been adopted, we would not have had these problems today.

As we grope for what to do in the future, it is clear that while the budget of the caucus was ignored as a whole, some of its commonsense and constructive solutions have begun to be picked up.

The fact is that, as Representative Hawkins has pointed out, it was his job training legislation that has passed the House and that the President is now trying to pass off on the American people as his own jobs program.

The fact is that $52 billion of the tax loophole closings that were thrust upon the President by this Congress were included in the Congressional Black Caucus proposal for fiscal year 1983. It is clear that the urban infrastructure jobs program that the President has only reluctantly said he is going to sign, is in direction, although not in the amount, the same as what we in the caucus recommended in the Congressional Black Caucus budget.

Mr. Chairman, I thank you for this opportunity to be here.

Ms. Norwood, it is a pleasure to see you again. I appreciate your recent appearance before the Subcommittee on Domestic Monetary Policy.

The unemployment rate usually declines in September because students are going back to school, because manufacturers and retailers are beginning to gear up for the Christmas season. I wonder if you could help us understand why unemployment did not decline as usual in September? Does this anomaly mean that there are major structural changes underway in the country? I mean, are students not going back to school this year? And if so, why?

Are we seeing a situation where people are keeping the summer jobs that they had taken as a means of tiding them over to the season that picks up in September?

Are manufacturers and retailers not gearing up for the season where many make a third of their profits and half of their sales—Christmas season?

What's happening in the country? Does this portend a weak Christmas season and, thus, a radically changed situation with respect to employment in the future?

Ms. NORWOOD. I think there are two ways of looking at that, Mr. Fauntroy.

One is to look at the demographics of the situation, the composition of the labor force.

Young people have behaved, generally, as we had expected them. There are a few differences, but the big change this month has been in the adult men. The increases in the labor force and unemployment were greater than seasonally expected for the month of September.

The other way to look at it is on the basis of the industry breakdown.

As you quite properly point out, one of the things that did not happen this year is the buildup in the retail trade industry in anticipation perhaps of the fall and Christmas sales. That normally begins in September. But since retail sales, as we know have been extremely weak, probably businessmen are waiting before building up their sales force.

In manufacturing, we know that some industries have had deteriorating production situations. The automobile industry has been in serious difficulty since 1979. The steel industry has been in great difficulty. This month, the unemployment rate for steel workers is extraordinarily high.

Hours of work were reduced in manufacturing, particularly durable manufacturing, in large part, I suppose, in response to some of the declines in new orders that have been reported.

Representative FAUNTROY. Thank you, my time has expired.

Representative REUSS. Representative Dicks——

Senator JEPSEN. Mr. Chairman, since we have a 10 to 1 ratio here, and in the interests of bipartisanship, would it be possible for me to respond?

If so, must I wait until everybody is finished? What is your desire?

Representative REUSS. I am going to give you full time to respond.

I think, however, we should let those members here take their brief 5 minutes.

But before we proceed after their time, you will have whatever time you may need.

Representative DICKS. Ms. Norwood, we welcome you here today.

How much is the increase in unemployment with the steelworkers this month? What is the number?

Ms. NORWOOD. I don't have the specific number for steelworkers but the unemployment rate for primary metals workers, which includes steelworkers, was 24.6 percent in September.

Representative DICKS. That number has increased in September?

Ms. NORWOOD. It has been in the 20-percent range since June. It has been edging up.

Representative DICKS. What about unemployment in the automobile industry? What is that percentage?

Ms. NORWOOD. That's around 19 percent, 18.7 percent.

Representative DICKS. What about unemployment in the construction industry, including housing?

Ms. NORWOOD. 22.6 percent.

Representative DICKS. Now isn't it true that in most previous recessions, these three industries have been at the forefront in indicating an economic recovery, particularly, the housing industry? When we start moving out of a recession, usually housing starts picking up and the people start buying more automobiles. Isn't that usually a past experience?

Ms. NORWOOD. Well, we haven't been buying so many automobiles in the last several years. The automobile industry is in some difficulties, but we would hope that construction would move forward as interest rates come down.

Representative DICKS. But the basic bottom line is, there isn't any indication of recovery in the statistics in these major industries. Now you have just mentioned the retail industry, which is also a very significant part of our economy in the United States. Every one of these areas is sick today, still sick. So it is hard for me, someone from the Pacific Northwest, who has seen the state of the housing industry and the forest products industry, to see any good news in what you presented us here today. In other words, unemployment has gotten worse, but the underlying economic condition is deteriorating. It appears to me from what you have said, that there isn't any good news.

Is there any good news in all this information you've presented us today? Any good economic news here at all?

Ms. NORWOOD. I don't think we should distort the picture. There has been a weakening in unemployment and in employment. There are a number of signs that are quite worrying. The employment situation has not really shown improvement this month, but remember that unemployment tends to lag somewhat during recoveries. We really need to see what happens to interest rates, to industrial production and to many other things.

Representative DICKS. But there isn't any indication in the statistics today that employment in the construction, steel, housing, and retail industries is improving. They are all worse this month than they were last month.

Ms. NORWOOD. The employment situation in these industries has shown no improvement.

Representative DICKS. There's no indication nationally and none of us see any indication that people are going out in October now and buying houses or buying cars or doing anything that would improve the economic situation. I must say the only good news that we have heard about today, and it's only a rumor at this point, is that the Federal Reserve Board has, through its Federal Open Market Committee, made a decision to lower interest rates. They are going to give up on the policy that since 1979, in my judgment, has made this economy much sicker than it had to be, a policy of trying to control the money supply without any concern for interest rates.

Now, I understand Mr. Volcker and the Federal Reserve Board recognize deterioration of the economy. Of course, you know, a lot of people have criticized the Fed as being dominated by the bankers. One reason I guess they're worried now and want to make a change in direction is that we are on the verge of a banking collapse in this country as well. The banking condition is very, very serious. So maybe that's why the Federal Reserve Board belatedly is making a change in direction. But I think that according to the numbers here in our State and the Northwest, unemployment has been much higher for a long period of time. We have counties in our State with 25- to 30-percent unemployment rates in the housing and forest products areas.

I think it is time for a serious midcourse correction and bipartisanship in coming up with an economic program to put people back to work. I hate to see all the posturing, people trying to take credit for

jobs bills and training bills and export bills, people who never supported that legislation, opposed it every step of the way, and now are trying to use it as a cover for an economic program that has not worked.

Thank you, Mr. Chairman.

Representative REUSS. Representative Obey.

Representative OBEY. Thank you, Mr. Chairman.

Commissioner, the administration indicates that unemployment is generally, as you indicated also, a lagging indicator and, therefore, it is possible that prosperity is, indeed, just around the corner. But isn't it true that there are some statistics within the unemployment numbers which would tend to lead rather than lag? And isn't it true that the manufacturing workweek has gone down, as you indicated, by four-tenths of a percent? Initial claims are at 700,000 and part-time work for economic reasons has increased by almost 1 million people?

Ms. NORWOOD. Yes, sir.

Representative OBEY. Those would be considered the leaders among the laggers, if you want to put it that way, wouldn't they?

Ms. NORWOOD. Yes.

DISCOURAGED AND PART-TIME WORKERS RAISE UNEMPLOYMENT

Representative OBEY. Second, following up on Senator Sarbanes' point, if you add total unemployed and discouraged workers and those who are working part time rather than full time for economic reasons, don't you reach, in fact, about 19 to 20 million people who have been affected by the unemployment situation?

Ms. NORWOOD. Probably. I don't have that figure in my head, but it's about right. Yes, that is right.

Senator SARBANES. 19½ million.

Representative OBEY. Isn't that somewhere around 17 percent?

Ms. NORWOOD. If you include all of the people who are employed part time for economic reasons. What we do, in an unemployment rate that we publish as U–7, is to include half of them, because they are employed part time, and that gives you a rate of 14.1 percent.

Representative OBEY. All right. I note in your statement that you referred to the prerecession peak of July 1981. I take it then that you would have a greater tendency to agree with Mr. Feldstein that the latest recession began in July or August 1981, rather than earlier, as had been suggested by at least one member of the committee here this morning.

Ms. NORWOOD. I leave to the National Bureau of Economic Research the determination of the beginning and ending of recession.

Representative OBEY. That was headed by Mr. Feldstein, wasn't it?

Ms. NORWOOD. Yes, sir.

Representative OBEY. Could you tell me this: As Senator Jepsen indicated, we only have about 3½ percent of the work force which has been unemployed 15 weeks or more. Isn't it true that in July 1981 that number stood at about 2 percent?

Ms. NORWOOD. I don't have that number with me——

Representative OBEY. It's my understanding——

Ms. NORWOOD [continuing]. But it was lower.

Representative OBEY. My understanding was that number stood at 2 percent, which means that whereas in July 1981, at the time the President's package was first passed, we had about 2.2 million workers who had been unemployed longer than 15 weeks. We now have over 3.8 million workers who have been unemployed for more than 15 weeks.

Could I also ask you—we often hear that unemployment is not as great a burden as it used to be, because of unemployment insurance. It is my understanding that, currently, only about 42 percent of all unemployed are covered by unemployment insurance programs. Is that correct?

Ms. NORWOOD. Yes.

Representative OBEY. Isn't it true that in 1980 the insured unemployment came to about 50 percent of total unemployment?

Ms. NORWOOD. About 45 percent.

Representative OBEY. Forty-five percent? What about 1975, wasn't it around 60 percent?

Ms. NORWOOD. Yes.

Representative OBEY. Nothing in those numbers—if I can put it conservatively, nothing in those numbers would tend to indicate that unemployment is less of a burden than it was, say, in 1975, would it?

Ms. NORWOOD. I think that the arguments that have been made refer partly to the various kinds of social insurance payments. The other point is, of course, that there are many more multiearner families, so that the total family income of the unemployed may be higher than it used to be.

Representative OBEY. Let me ask, since July 1981, by how many persons has unemployment risen?

Ms. NORWOOD. 3.4 million.

Representative OBEY. How many more workers are on voluntary part time?

Ms. NORWOOD. 2.2 million.

Representative OBEY. New entrants? Of the total of 3.4 million who are unemployed, you had an increase of how many on the part of new entrants? About 720,000; is that right?

Ms. NORWOOD. In what time period?

Representative OBEY. Of the total of 3.4 million more unemployed, how many did you say represented an increase in unemployment on the part of new entrants?

Ms. NORWOOD. The increase in the labor force has been 2.2 million. The increase in unemployment due to new entrants was 386,000 and the increase due to reentrants was 338,000.

Representative OBEY. Isn't it true, in other words, that the bulk of the increase in unemployment since July 1981, has been the number of people who lost jobs that they previously held?

Ms. NORWOOD. Since the recession began, yes.

Representative OBEY. One last question. I know I am at the end of my time.

As you know, I wear another hat as a member of the Appropriations Labor-HHS Subcommittee. In response to a request from Chairman Reuss, our subcommittee last month restored $2 million to the BLS budget, which the President has asked be cut. A final

decision, as you know, has not yet been made on that and will not come until the December continuing, I suspect.

I would like you to tell us why that $2 million ought to be provided. In what ways would you be inhibited if that $2 million were not provided?

Ms. NORWOOD. Let me just say, Congressman Obey, first, of course, the handling of the budget is something that is done through a regularly established process in the executive and legislative branches.

Representative OBEY. Let me ask you, in your professional judgment, what problems would be created if that reduction is provided for? Could we be sure that the statistics that we would be receiving would be as accurate or any more accurate than they are today?

Ms. NORWOOD. If the $2.5 million were restored?

Representative OBEY. Not restored.

BLS FORCE TO REDUCE PROGRAMS DUE TO BUDGET CUTS

Ms. NORWOOD. Not restored. Let me just say that what we did in taking the reduction that the President asked all agencies to take, the 12-percent reduction, was to eliminate or reduce 19 programs, and they run the gamut of all of the areas in which the Bureau of Labor Statistics operates.

What I tried to do in each of those cases was to eliminate or to reduce programs that were not a part of the national core of data, the important core of data, such as the national unemployment data. That meant, of course, that we reduced the level of accuracy of some of the local area data, and we eliminated some programs that a lot of people found useful.

If money were restored to our budget, we would consider restoring some of the things that we have eliminated. I might also point out that we are concerned about such things as the redesigns that are needed to insure that the data remain of high quality, now that we are beginning to have 1980 Census data available.

Representative OBEY. Thank you.

It would seem to me, Mr. Chairman, that these numbers that you indicated earlier, these numbers indicate a policy upon which we have embarked in the last 2 years—let's put it this way—if it has not failed, it certainly has not succeeded.

I don't think we need the numbers to tell that. I think all we have to do is take a look at the action of this team. If it is true that, in fact, monetarism, as we have known it, is being abandoned—no one knows for how long a time—but if it is true that it is being abandoned, it seems to me that these numbers this morning indicate why.

I would also suggest that these numbers indicate, because of the bleak outlook for the next 4 or 5 months, certainly, that this really is, indeed, very grim Christmas news for a lot of American families.

Representative REUSS. I want to thank the gentleman from Wisconsin, Congressman Obey, for his effort on a bipartisan basis to restore those funds for the BLS.

It seems to me there are two ways of fighting unemployment. One is to put into action programs that will get people jobs. The other is to starve the agency of unemployment statistics. I think most people agree that the first action is preferable, and I commend Congressman Obey.

Representative MITCHELL. Mr. Chairman, would you yield to me for just a second? My staff is there suggesting that I have to leave. I just wanted to comment on your graciousness in allowing Senator Jepsen to raise some additional questions after everyone has had a chance to be heard on our side. But I did want to point out, I know you, as chairman, have always welcomed the participation of the Republican members of the committee. Unfortunately, their presence diminished at these hearings as the unemployment rate went up, and certainly, we would have welcomed them being here throughout the entire proceeding. It is very gracious of you.

Representative REUSS. I look at it more positively. I think Senator Jepsen's presence here has more than filled that. [Laughter.]

We now recognize Barbara Mikulski.

Representative MIKULSKI. Thank you very much, Mr. Chairman.

You know, President Reagan said that the best social program is a job, but it appears that it is the social program that he and his supporters are cutting the most.

Commissioner Norwood has told us in a scientific and professional, nonpartian way, what we have been hearing in our communities and seeing as we talk to our families in our congressional district. We now know that we are in the midst of a depression and that there is a changing profile of the unemployment picture. When I worked in the poverty program 15 years ago, along with Congressman Mitchell, we reached out to people who had never worked before to try to find them a job.

Now we have people coming to us, not who've never worked, but who have never, ever been out of a job before.

My three questions, I think, would reflect those basic concerns we have about the changing unemployment profile, particularly as it affects the American family and our national security interests.

My questions to you, Commissioner Norwood are: First, we are told that many families are managing because they have two-earner households. Do you have any statistics that would show us whether that profile is accurate and, therefore, families are making do, because one wage earner is employed while the other is not, or are we seeing now a dual cruelty of both the husband and the wife out of work? For example, in my own congressional district, an example would be an unemployed UAW worker and his wife, who had worked as either a retail clerk or in the food market industry that recently had severe unemployment. Would you tell me what is happening to those double wage earners?

Ms. NORWOOD. It is true that more than half of the husband-wife families in this country now have more than one earner, and it is frequently true that the other earner in the family is part of a support system for people who are unemployed. When we look at the income of the families in which unemployed people live, it is relatively high. That is typically more than $10,000, and many of them at the $15,000 to $20,000 or over level. There is, however a large and growing group of some 9.7 million families which are maintained by women. Those families often have no other earner present when the female householder becomes unemployed. So there is a much more serious problem for families of that type than there is for those husband-wife families where there is a support system.

WIFE UNEMPLOYMENT RATE HIGHER FOR FAMILIES IN WHICH HUSBAND IS UNEMPLOYED

There is also another group that I think we need to be concerned about. Sometimes, when a wife is unemployed, a husband is also unemployed or vice versa. The unemployment rate for wives whose husbands are also unemployed, while a small group, is considerably higher than the unemployment rate for wives who have employed husbands.

Representative MIKULSKI. So what you are saying is that, where the husband is unemployed it is also now a growing trend that the wife is also unemployed. We now have like a shotgun unemployment?

Ms. NORWOOD. No; I am not saying that it is a growing trend. I am just saying that there is a small group, several hundred thousands only of that type. But in 1980, and the figures for 1981 are not very different, 3 out of every 10 people who experienced some unemployment during the year lived in a family with an annual income under $10,000. Three had family incomes between $10,000 and $20,000 and nearly 4 in every 10 lived in families with incomes of $20,000 or more.

Representative MIKULSKI. So my concern is right. Where there is an unemployed shipyard worker or steelworker, his wife is more likely to be employed in retail or service industry rather than in those Ph. D., law degree jobs and, therefore, it is more likely will also be unemployed. So we are on the right track of being concerned.

HIGHER THAN AVERAGE UNEMPLOYMENT RATE FOR WOMEN WHO HEAD HOUSEHOLDS

You also talked about the female-headed household, another great concern of mine, where the women really are the sole supporter of their children and families. Could you repeat for me, again, where that profile is for women in that particular category? In other words, what percentage of those women are employed and what income brackets?

Ms. NORWOOD. There are 9.7 million of those families headed by women. The unemployment rate of the female heading that household is 12.4 percent in the month of September and a very large proportion of them are living in poverty.

Representative MIKULSKI. I think what we can see from those figures is that there is enormous toll that is taking place on the American family with concomitant social problems that come from being poor, not having a job and not being able to support yourself.

Another area of interest that I have is in national security. One of the concerns that I have is that we are now facing unemployment in defense-related industries, those industries that I call convertible industries, those industries that maintain a strong peacetime economy and yet can be converted into a wartime economy, if necessary.

Let me tell you what I am talking about, and then you tell me if unemployment is on the rise, and that is—let me give you an example. I say, given what's happened in some of our industry, that if we happened to have a national military emergency now, we wouldn't have a garment industry to make the uniforms. We don't have a steel industry to produce the tanks. We don't have an American merchant marine to sail the ocean. We are wiping out our shipbuilding industry.

We don't have an electronics industry, and yet, at the same time, we're building more and more gadgets that have less and less reliability, yet the basic industries that keep our people working in peace or war just are not there; we have given them away to other countries.

Am I right that this is where these industries are the hardest hit?

Ms. NORWOOD. It's quite correct that the durable manufacturing sector has been hit. They are not all defense-related, of course.

Representative MIKULSKI. I don't know whether you consider the garment industry as defense-related, until you talk to the G.I. Joes and Janes and find out that they need shoes and uniforms.

Mr. Chairman, I know my time has expired. I just want to make one quick comment about the unemployment ads that we have heard so much about. I'm one of those people who placed an unemployment ad a few months ago to advertise for a part-time caseworker in my congressional district. This was a part-time position that would pay just a little bit more than $8,000 a year. I had 155 inquiries. All of the people had bachelor's degrees. Some had Ph. D.'s and law degrees. Also, all had work experience. I hired one. I don't know what happened to the other 154.

Representative REUSS. Now Senator Jepsen.

Senator JEPSEN. Thank you, Mr. Chairman. I certainly, as vice chairman, would like to thank you again for your courtesy and your fairness in the past 2 years of our working together, and I would like to welcome Congressman Hawkins to the committee.

I will be very brief, Mr. Chairman. Out of respect—I understand we have people from out of town here on the panel and you want to get directly to them.

For the record I will stay with the facts here. Congressmen Dicks and Fauntroy—they have used my name, and I will use their names constructively and respectfully—cite skyrocketing unemployment in the basic goods industries. To indicate the magnitude of unemployment in these basic industries, the 18.7 percent auto industry figure is mentioned.

In the auto industry, alone, the decline which occurred in employment, nearly 67 percent of that decrease existed prior to January 1981. Fact. In the lumber industry, in the building industry, you mentioned that 22 percent was the amount that was increasing so far this year. I point out the fact that prior to 1981, 75.5 percent of the current unemployment existed in that basic industry. Just some facts.

My colleague from Maryland indicated the annual unemployment average for 1941. He then referred immediately to 10.1 percent, which is the current monthly rate. I would like to ask for the record, what is the annual rate today? We ought to compare apples to apples.

Ms. NORWOOD. The 1982 annual average cannot be calculated until we have the data for the entire calendar year. However, it is entirely appropriate to compare a seasonally adjusted monthly estimate to an annual average.

Senator JEPSEN. All right. I will state for the record what Congressman Obey confirmed, and I thank him for that. That 3.5 percent have been unemployed for 15 weeks or longer. Another question was asked on unemployment growth since July 1981. You gave that figure, and I would ask now, how many new employed since July 1981. Do you have that figure?

Ms. NORWOOD. The labor force increased by 2.3 million.

Senator JEPSEN. New employment?

Ms. NORWOOD. Well, the labor force increased by 2.3 million since July.

Senator JEPSEN. Does that mean they were gainfully employed?

Ms. NORWOOD. No, but the labor force increased by 2.3 million. Employment, as you know, has declined since July 1981—by 1.1 million.

Senator JEPSEN. We are dealing with a lot of millions. Yet, we have, as of today, 200,000 people less than were employed in January 1981; is that correct?

Ms. NORWOOD. Yes.

Senator JEPSEN. A grand total of 200,000.

Ms. NORWOOD. That is correct, according to the household survey.

Senator JEPSEN. In other words, there must be a lot of people that have come into the labor force that have been gainfully employed—in spite of the overall slight drop.

Ms. NORWOOD. Yes.

Senator JEPSEN. I share with Congresswoman Mikulski her concern for industrial service capacity. We have been concerned about that. We came into this administration with degradation of our military and defense posture. That has been a very dangerous situation. We are trying to remedy that. I would also, for the record, want to point out that the employment population ratio, in the first 9 months of this year, is 57 percent; right?

Ms. NORWOOD. Yes; it was 57.0 percent in September.

Senator JEPSEN. That is a higher employment population ratio figure, in fact, than 18 of the preceding 22 years; is that correct?

Ms. NORWOOD. I would have to check that, sir.

Senator JEPSEN. I think if you do check it, you will find that that is correct. I would appreciate it for the record.

Ms. NORWOOD. I'd be glad to.

Senator JEPSEN. We don't want to put anything in the record except facts. That's my contribution today.

Ms. NORWOOD. You can be sure that that is what we do.

[The following information was subsequently supplied for the record:]

The employment-population ratio for the first 9 months of 1982 averaged 57.2 percent. That was higher than the average for every year in the postwar period prior to 1978.

Senator JEPSEN. Now, finally, I thank the chairman for his graciousness again.

The rise in unemployment is due to the recession; is it not?

Ms. NORWOOD. Yes.

Senator JEPSEN. When did this recession begin? You were asked that before. I want to make sure the record is straight.

Ms. NORWOOD. Well, the peak of activity was July 1981.

Senator JEPSEN. So July 1981, according to the National Bureau of Economic Research, which, as I recall, you referred to and said that that is what you would opt for as being——

Ms. NORWOOD. Right.

Senator JEPSEN. This is before the Reagan program came into effect?

Ms. NORWOOD. That I think is for you to determine. I would like to be clear about that. There were, of course, a lot of things that happened between January and July. There are some things that didn't take effect until July, such as the tax cut and so on.

Senator JEPSEN. Most of it took effect in October 1981.

Ms. NORWOOD. It was before the tax legislation, which was the major initiative, took place.

Senator JEPSEN. What is the consumer price inflation rate now, compared to January 1981?

Ms. NORWOOD. Over a 12-month basis, it is—it is 5.9 percent.

Senator JEPSEN. Compared to——

Ms. NORWOOD. Compared to in January 1981, of 1980 or July?

Senator JEPSEN. January 1981.

Ms. NORWOOD. January 1981, it was 11.7.

Senator JEPSEN. What is the prime rate now, compared to January 1981?

Ms. NORWOOD. I don't know sir.

Senator JEPSEN. It is 13, compared to 21.5.

In closing, we know full well—as members of this committee—that unemployment couldn't come down until inflation and interest rates came down. The improvement in these two items, along with others, shows that the sign posts are in place. I can tick them off for you, if you like, Mr. Chairman, but you know them as well as I do. They are all on the plus side. Unfortunately, the unemployment is a negative. I know that when we talk about the country's problems, it is hard to discuss the big picture, when people are struggling to find jobs or to keep the ones they have.

I know the President is deeply concerned about this.

I would point out to you that it has not been without pain that we have tried to get the country back on track and tried to institute an economic recovery program that will be permanent. The members of this committee know well that unemployment couldn't come down until inflation and interest rates came down. They have. President Reagan brought them down the only way he could, and that is by reversing the policies that caused them in the first place—policies pursued over 4 years when Democrats occupied the White House and over the 20-some years when they dominated the Congress.

So, in keeping with my desire to contribute facts in this very political time, 30 days before election, I will now rest my case until later.

I thank you again for your courtesy.

Representative REUSS. Thank you. Thank you, Commissioner Norwood, Mr. Dalton, and Mr. Plewes.

Senator SARBANES. I just want to ask a couple of followup questions.

First of all, I would like to make the observation with respect to Senator Jepsen's remark, it is difficult to discuss the big picture, when people are unemployed. For the people who are unemployed, that is the big picture. That is the big picture. Now, Commissioner, I think it is a reasonable point that Senator Jepsen made that I pointed out, the 10.1-percent figure is only a monthly figure. That is the highest that we have experienced since 1940. What is the annual figure for

1982 at this point? Do you have that? He asked that. Were you able to work that out?

Ms. NORWOOD. If we just take the 9 months and average them, we would get 9.4 percent.

Senator SARBANES. 9.4 percent.

Ms. NORWOOD. For the 9 months.

Senator SARBANES. When was the last time we had an annual figure in excess of 9.4 percent?

Ms. NORWOOD. 1941.

Senator SARBANES. 1941, instead of 1940.

HIGHEST UNEMPLOYMENT IN OVER 40 YEARS

Well, Mr. Chairman, I think I will amend the comment I made, just to make the point, on an annual basis, we are now experiencing the highest unemployment we have experienced in this country in 41 years. The monthly figure gives us the figure, the highest we've had in 42 years. Forty-two years. In view of the point Senator Jepsen was making, I want it understood, because I agree that we ought to get the facts out, that on an annual basis, the unemployment figure reported today—included in with what we have experienced this year—gives us the highest annual unemployment figure in 41 years.

Commissioner, I notice that the rate in Texas jumped 14 percent in 1 month. Let me first ask—I take it that is an enormous jump, as these figures move—would that be correct?

Ms. NORWOOD. It is an increase of 1.7 percentage points. The variance associated with that unemployment rate is about eight-tenths of 1 percent. So, based on statistical significance, this is an increase, clearly.

Senator SARBANES. Finally, with reference to when all these programs took place, I really want to make reference to the Secretary of the Treasury, Donald Regan. He told us in September 1981, this administration has done its job. It has provided just what American industry said it needed to transform our economy.

Now what was the unemployment rate in September 1981, when he said, at that time, that the administration had done its job, it provided just what American industry said it needed to transform our economy?

Ms. NORWOOD. In September 1981, it was 7.6 percent.

Senator SARBANES. 7.6 percent. Well, I would simply observe, Mr. Chairman, that the Secretary of the Treasury said they had it in place, they had done their job, and now it is 10.1 percent.

I simply want to close, again, with a reference to the Secretary of the Treasury. Recently he said, based on the facts at my disposal, I can say that the U.S. economy has one leg over the fence that divides stagnation from growth. I am fearful that the Secretary and the administration are going to be impaled on that fence, unfortunately, with the American people along with them.

Representative REUSS. Thank you very much, Commissioner Norwood, Mr. Plewes, and Mr. Dalton.

So far, necessarily, as befits the Bureau of Labor Statistics, we have been concerned this morning with statistics—lifeless and bloodless statistics—but that isn't all there is to unemployment. Unemployment is a human problem. We have asked a number of our fellow

citizens who are without jobs to come here this morning and tell us their experience, how they lost their jobs, how long they've been out of work, how it is to look for another job, and how it is to try to live on unemployment insurance.

We welcome our fellow citizens, and I think it behooves us all to say of them, "There, but for the grace of God, go I," since 10.1 unemployment is going to touch every other family in the United States.

Mr. Richard Abbott of West Virginia, a mine worker; Mr. and Mrs. Anderson of Baltimore, autoworkers; Mr. Albert Bragg of West Virginia, a steelworker; Mr. Donald Booth of Pennsylvania, a steelworker; Mr. Larry Hicks of Michigan, an autoworker; and Ms. Ida Hines of Maryland, a social science teacher.

I'm going to ask each of you to just briefly share with us your hopes and aspirations, how you feel about what's happening. Mr. Booth, will you lead off, please.

STATEMENT OF DONALD BOOTH, UNEMPLOYED STEELWORKER, GLEN ROCK, PA.

Mr. BOOTH. I've been with Bethlehem Steel for the last 8½ years—I've been laid off for about 13 or 14 of the last 18 months. I'm called back to work for 1 day here and 1 day there, been laid off 2 or 3 months; work for about 1 week or 2, laid off for maybe 6 months.

Sometimes I'm called in for 1 day or 2. I do not receive much employment. Actually, my money is less by working 2 or 3 days than if I was unemployed, sometimes. I find it hard to pay my bills all the time now. I'm always behind on something.

I sometimes even—when I'm called back to work, I don't know how I'm going to make it back to work because I don't have the money to get there.

It's worse now than it was when I first started. I was making $140 a week when I first started working, and now I have less than $140 a week. I have a wife and three children now. I don't know what to tell my children about why I can't buy food sometimes. I don't know what to tell them when they ask me why they can't have new shoes.

I go out and try to find work. I can't find work. Most places they're laying off people of their own; they can't hire me. Other places don't want to hire me, because if I am hired and my old job calls me back, I'd go back. They say they don't want people like that. Thank you.

Representative REUSS. Thank you very much.

The Chair will say that we will hear from all of the panel, and the members will have some questions to ask.

Mr. Bragg.

STATEMENT OF ALBERT BRAGG, UNEMPLOYED STEELWORKER, NEW CUMBERLAND, W. VA.

Mr. BRAGG. I am Mr. Bragg.

I started at the mill, and I worked for the steel—I did work—let's put it that way. I started March 22, 1977. I worked real good up till in 1981. We were off and on until my last day of work was—at a time, I worked 6 days that week. They called me on the sixth day, it was on July 25, 1981. It was my last day of work.

Unemployment gave me $145 for a while. It ran out in December. I took welfare for 3 months. Welfare offered me $148 a month to live on. I get a VA check from the Veterans' Administration, where I got hurt in Vietnam. It was $58.

Since I've been laid off, I haven't had electric since July 1 of this year. The bill is $879.14. We called them—my wife did, because I'm a hotheaded guy. I don't even like to be up here, really. But I feel kind of proud that you welcomed me here anyway.

But the electric company wants the $879.14. They want a $240 deposit. They want $14 to turn it back on. That gives me approximately $1,133.14 to have my electric back on. I told them to kiss off, because I cannot afford it. If I could afford it, I'd be working.

My water bill is $13 a month, my house payments $225. It's 2 miles home. I have an annual gas bill—like our gas bill, it comes once every 3 to 6 months. It runs about $48.

When I was on unemployment, they said, "Go get a job."

I wrote down some figures. I called some of the plants in my area last night and talked to them. Out of 12 places, the coal industry—one of them that's shut clear down, that's one I work at. I was proud to work for them. I'm proud that I was a steelworker. I thought I had improved myself and bettered myself in the long run.

I'm just scared right now. I don't know which way to go, because they gave me my severance pay, which will be $2,913.36, approximately, for 6 weeks—I put 5 years in the mill there.

I can read off some of these places out there. But out of the 12 places that I called, one of them has got everybody back to work in our area.

TS&T, which employed 570 people, they're down to zero.

Celatex, which employed 90 people, they're down to zero.

A chemical plant—I can't think of the name of it, because I didn't write it down very fast—they employed approximately—these are all estimated—they had estimated about 65 people; they employ zero now.

Metz's Refractory, which is my uncle's place—I called him, he had 94 people employed last year at this time. He's down to 32, with another 10 percent he said laid off again.

Homer Laughlin's China has approximately 750 people. They're down to 400.

Newcastle Refractory has 60 people. They're down to 30.

Ohio Brass, the one I said—they've got all of their work force back on, but they're not doing no hiring, not taking no applications.

Waterford Park, which is the racetrack in our area that races horses, they're down approximately 10 percent, the work force, due to the fact that—you know, everything.

Globe Brick is down approximately—I'm guessing now, because I couldn't get hold of them. But my uncle said he figures about 65 percent.

Weirton Steel, where my brother works, he's been off for 2 years, they're down for a good bit.

My uncle—he's a dentist in our area—I asked him what kind of effect this would have on him. He said—here's his exact words: "Will not have effect for 6 months due to the insurance rate."

I read in the paper last month United Way cut this down from 20 to 25 percent—between 20 to 25 percent this year. We'll get less.

My problem is—and I put it in the Pittsburgh Press—I'm not proud of it, but I am—you know, I worked at the mill—if I start crying, I'm sorry. I've tried to better myself in ways, but I worsened myself due to the fact that I believed them people, I think, who gets in this Government and do not believe in themselves. I don't care who knows about it or what.

I took a gun to myself. I pulled the trigger or what all. I either moved my head—I don't remember. I'm sorry for doing it, because I thought it was a quick way out of this. I got two little kids. The little one said to me—Angel said, "Daddy, we'll make it." That's my story.

So, we're going to be there, no matter what you guys do, no matter what. Like he said, we'll be here as long as you guys are there.

If my mill shuts down—October 15 is our last day—and I know that things are hard, I read those signs up there.

But the President, I don't agree with him, I don't disagree. I just about gave up. I made my mind up. I'm not giving up on him or anybody in this room.

I'd say 95 percent of your unemployed right now—including maybe four or five of us sitting up here now—two of us in this room right now don't have a job, that's Ronnie Freeze, the president of my local and myself.

I was proud to work for the coal industry. If they'd started back up, I'd still be proud to work under them.

I'm proud to be an American. That's one thing. I served my country.

I've looked for jobs in these places I announced, and not one of them is taking applications.

So, until the day comes, I hope, maybe in the future—I hope we don't have a war or anything, I don't like war—if I was called to go, I'd go again, the same as I did in 1970.

Mr. Chairman, I'd like to thank you for inviting me here. I can't remember her name—when she talked to me—I'd like to thank her and the union, the locals of Crystal Steel. Thank you.

Representative Reuss. Thank you. We are very grateful, Mr. Bragg.

Mr. Hicks.

STATEMENT OF LARRY HICKS, UNEMPLOYED CHEVROLET PLANT AUTO WORKER, FLINT, MICH.

Mr. Hicks. Larry Hicks is my name.

I'm here to represent the city of Flint and all the Chevrolet plants. I had 8½ years seniority before I was laid off from Chevrolet Manufacturing and Chevrolet Metal Fabricating. For my Christmas present I was laid off from GM one week before the holidays.

What I think about the present administration is not highly appreciated by them. They're emphasizing the training and retooling program. We have thousands and thousands of qualified people in the cities of Flint and Detroit who can do this kind of work as they are highly qualified. Flint right now is in very severe trouble. The streets are a disaster and the houses are all boarded up.

I can use my own situation as an example: I'm on my last resources right now. I will be a newcomer to the game. I'm at the end of the 13 week extension and the new 10 week extension will take me to January of this coming year. This will bring about the following hard-

ships: My house payment is coming up; I have a wife and three kids to provide for; I'll have to cancel my car insurance; and I have to have transportation to look for work.

We're not going to have much of a Christmas this year, so we have told the kids not to expect much from Santa.

It's very important that we laid-off people here in Michigan receive some attention because we are experiencing severe hardships over here. We're not only out of work, but we're out of hope. We live on a day-to-day and week-to-week basis. Thousands of people are being laid off, and as yet the end is not in sight. My plant—the Chevrolet Metal Fabricating Plant—did employ 5,000 people a short time back, and now we have only 2,600 people in that plant. And, what's worse, they're talking more layoffs.

They—the administration—are emphasizing this robot bill. I assume the robot is going to go and purchase a car and pay for it. That's a no-no. I'm not for the automation industry whatsoever. That's a 100 percent no-no because we have to survive. We can't live with what's over in Japan. Japan has to take care of themselves over there.

The American people use their technology here to provide for the United States of America's people and not think about what's over in Japan. That's out of the picture here. We've got to take care of home.

I notice the present administration—as of right now, he emphasizes a lot on the foreign countries. He talks about this and that, what they've done over there. But he's not saying what he has done for us now. We need help now.

It's put in the terms of "Hey, the economy is going to pick up for the next 5 years," which we need to happen now.

What are we going to do in the meantime? We're out in the cold.

Mr. Chairman, I appreciate your giving me the opportunity to talk. I know the time limit is up here. I really appreciate Mr. Donald Riegle and Kildee for letting this happen, and Ron Perkins from local 598 of the Truck Assembly Local.

I'm concerned about the job situation here in Flint and have joined together with other unemployed factory workers here in the Flint area to form a committee which we named, "The Committee to Promote Full UAW Employment" and whose goal is to try to find a way to get all our unemployed back to work and to discourage overtime in the plants while we are unemployed, and also to try to stop the outsourcing of work from the plants and the area.

Thank you sir.

Representative REUSS. Thank you, Mr. Hicks, Ida Hines, from Baltimore.

STATEMENT OF IDA HINES, UNEMPLOYED SOCIAL SCIENCE TEACHER, BALTIMORE, MD.

Ms. HINES. Yes, I am from Baltimore City. I am a public school teacher. I am the mother of four children.

As of May of this year, prior to that—four years prior to that, I had been sending my 17-year-old daughter, who was not 17 years old then, to different specialists to find out why she would just fall at the drop of a hat. As of this May 1982, she was diagnosed as having multiple sclerosis.

Along with that, I got a letter from Baltimore City saying that I did not have a job.

First of all, I am an experienced person. I have 15 or more years of experience in the Baltimore school system. Of that 15 years or more experience, I have received a degree and worked for approximately 6½ years as a professional person, 9½ years as paraprofessional in the Baltimore City schools, working with grades K through 12 and also with experience in Head Start.

I would like to say that I have never been unemployed.

I also would like to say I am head of my household. I have a son who is in college now in North Carolina. I have one son who has 3 years of college who has now decided, because of the economic situation, he can no longer attend college and my 17-year-old daughter who goes to high school.

I have faced a lot of difficulties, financial difficulties with doctor bills.

Being head of a household, I have a mortgage and other responsibilities that a head of a household would have.

The unemployment in Baltimore City, as I see it, and all over, is very frightening. Personally, it has made me very angry, because I, as a person, went through the system and I, as a person, got that education, good education, and I, as a person, worked diligently and I'm very industrious and have worked at many jobs.

But now I am a person with a degree, out of a job, facing a lot of responsibility. It's very frightening. It's a very dismal picture when you look at it. It's very depressing.

As far as unemployment is concerned, I would not like to be on unployment for a long period of time. I don't enjoy drawing unemployment.

There are certain fringe benefits that you have when you are working. I no longer have those fringe benefits. One important thing is hospitalization. I need hospitalization.

When you are out of a job, as the gentleman has said, you are looked upon as being a shiftless person, no matter how much education or experience you have.

I have dealt with that this summer. I have gone out and looked for jobs, and I have not found a job as of yet. As I said before, I do have experience.

I have gone to the unemployment office downtown just to look and see what is going on, because when you are working on a job, you tend to lose some roots with people—the human aspect. Even though you are with human beings and you work in a human capacity, you tend to forget or not look at the total picture.

I have looked at the total picture in Baltimore City because I am involved in civic as well as community groups. I have gone downtown personally, and I've seen the lines and it's very frightening.

I understand how a person or people feel when they have worked in this system and have paid Federal, State, and city taxes and now they are out of a job and they are treated as less than a human being. I have encountered this. I do not like it.

I would like to see a turnaround for America as far as jobs are concerned. I would also like to see a turnaround for public education. First of all, save public education—we hear a lot about doing away

with public education. I think that's something we need to very carefully look into and look at. It's for the masses, and we need it.

I am a product of public education, and I am for public education.

Leaders of cities are saying, along with Baltimore City, that there are no funds. This is why we have the teacher layoff in Baltimore City.

I am saying that there are other resources that can be tapped. As a constituent, I am asking my representatives that are here from Baltimore, Md. that you look into these other resources, such as billboards, such as the PacMan games, the gamerooms, that could be taxed and also the lottery, which, when created, officials said that part of the funds would be for education. I have not seen that. I would like to see that money earmarked—some of the lottery money earmarked for education. The lottery, right now, has a general fund. A general fund is just what it says, general. That money could go for anything that it is mandated for. I would like to see some of that money earmarked for education.

Just to end, let us look at the human aspect; it's very degrading. You feel less than a person when you are unemployed. People look at you as less than a person.

I do not feel good sitting here saying I am unemployed with a degree and experience and working on another degree. It's just a dismal and very frightening and depressing picture.

The only thing that I can look to now that sustains me is to say that there has to be a better way and that conditions will change. But they will not be changed as long as the administration is taking away programs and not replacing some of the programs. You cant keep taking away and cutting away social programs and not put something else in place of it and say everything is going to get better. It's not going to get better. It's only going to get worse.

I would like to thank the chairman and also my Representative who invited me here today to speak about the unemployment situation, my personal views, and the outlook that I see for unemployment. Thank you.

Representative Reuss. Thank you, Ms. Hines.

Mr. Richard Abbott, a mineworker from West Virginia.

STATEMENT OF RICHARD ABBOTT, UNEMPLOYED MINEWORKER, ALLOY, W. VA.

Mr. Abbott. My name is Richard Abbott. I'm a coal miner from West Virginia.

My employment picture—or unemployment picture—has been that I have been laid off for approximately 16 weeks. The job market in West Virginia is right now in the most serious situation that it has been in for years.

It's not that I'm uneducated or lacking in skills, because I do have a B.S. degree, but there are just no jobs available. Anyplace you apply for a job, you know, you don't even get past the door. They don't want your application.

It's been very hard on my family. I have a wife and two children. It's very hard to go from making approximately $3,000 a month to the $800 which I now receive from unemployment. The bad situation is that eventually even this money will run out.

Medical insurance and auto insurance is—you know, right now I just don't know how I'm going to pay my bills or keep my insurance up.

Basically, I just think the present administration has been lacking in its help toward the coal mining industry. I think the new stance that they take has hurt the industry in West Virginia. Right now I just can't see any bright prospects in the future.

I would like to thank you all for inviting me here today.

Representative REUSS. Thank you, Mr. Abbott.

Our last panelist, Mr. Noland Anderson, automobile worker of Maryland.

STATEMENT OF NOLAN ANDERSON, UNEMPLOYED GM PLANT AUTOWORKER, BALTIMORE, MD.

Mr. ANDERSON. Good morning. I am Nolan Anderson, General Motors, UAW representative.

I grew up in Baltimore County. In Baltimore County, there has always been work available, General Motors, Sparrows Point, Martin Co.

There was never any problem until June 1981. Now there's no work available at all.

One company we went to, Martin Co., said that if we would sign off all seniority, totally, they would hire us. It's pretty hard to dump 14½ years senority down the tubes for a job making half the money. Things don't look good in that end of town. Things don't look good anywhere.

We have it bad, my family. There's 4,000 other people that have been laid off from GM for 16 months. They have it bad, too.

Someone, somewhere, has got to turn things around and put us back to work. Thank you.

Representative REUSS. Thank you.

Thanks to all the panel for your spirit and bravery. What you're up against, face-to-face with hard times, you're good Americans, and I'm proud of you.

Speaking for this committee, we haven't forgotten about you.

I will recognize any members——

Senator JEPSEN. I wish to echo the chairman's sentiments and thank you for coming to the hearing.

We face many problems in this country. This morning we have witnessed one of the strengths of our country—that is, we derive our power from the whole of society with an effort to hear from all concerned.

I sympathize with the people who are unemployed. I pray that things will soon get better and improve, as we believe that they will.

The President is committed to providing real economic opportunity for all in this country. He has pledged to do that, to put programs in place.

Thank you for your time.

Representative REUSS. I'll call on Congressman Hawkins.

Representative HAWKINS. Mr. Chairman, I think the urgency of the situation is something we've overlooked. We quibbled over when the President's program might have taken place. We quibbled for

policies. But as the witnesses were enumerating their distress, I noted the number of programs that have been abolished or cut since Mr. Reagan took office. Unfortunately, many of these have been supported by the Congress. The programs include the WIN program, the Job Corps, the cyclical, public service jobs which had a placement rate over 60 percent that started in March 1981.

The jobs program under the Senior Citizens Older Americans Act was vetoed.

The Supplemental Appropriations Act which we passed in the House just a couple of months ago, which would have provided some jobs for some of these individuals, that was defeated in the Senate at the suggestion of the President.

The housing bill, which would have provided jobs for construction workers, was vetoed by the President.

The Blanchard bill, which provided job components in defense industries, was defeated by the President.

The educational system was cut—25 percent cut in that, which might have provided something for the teachers.

Hospital benefits were cut.

Employment office personnel itself was even reduced.

Now, these are all the acts that have been taken deliberately since the administration came to power, many times with the support of a majority of the Members of Congress.

So, we are all not without some blame. But these are the programs that might have helped these individuals.

No; there's no need blaming Carter. Mr. Carter has already been defeated. We can only blame those who are now in office.

It just seems to me that we really border on actions that are criminal in nature, in which we drive individuals to the point where they are almost in a position of taking their own lives, when in the face of problems today we abolish—as Ms. Hines said, we are abolishing these programs without any replacement.

Now, I suggest that, unfortunately, we will not have a session until after the elections. But I hope that when we come back after the elections we can begin to reactivate some of these programs.

If these hearings give support for the reactivation of some of these programs and some new initiatives, I think certainly the chairman should be commended for these very excellent areas.

Representative REUSS. Senator Sarbanes.

Senator SARBANES. Mr. Chairman, I'll be very brief.

I want to thank the members of the panel for their very strong and moving testimony.

I simply want to say to you I think one of the prime objectives of any economy ought to be to provide their people with a chance to work, to hold a job, to be able to support their family, have a home in a reasonable neighborhood, meet their health care needs.

I say that you ought to have the chance to produce all the things that you indicated you have wanted, not only because it's the right thing for each individual to be in a part of the mainstream of our country, but the country needs your contribution, the country needs to have you part of it.

Now, many of us are dedicated to try and achieve that goal, and we'll go along in that fight. We know how difficult it is.

I think your testimony was an eloquent statement of how it's impacting on the people. I agree with Congressman Hawkins about the urgency of the situation. It cannot be excused away. It cannot be excused away. It must be addressed if we are going to survive as a nation. Thank you.

Mr. HICKS. Mr. Chairman, may I say a few words?

Representative REUSS. You may.

Mr. HICKS. What I want to say—I forgot to say it earlier—President Reagan, when the transit went down on strike, they got a package passed to get those people back to work right away. Why can't he turn the economy and get things back in force in the same terms—you know, he does what he wants to do.

Things that don't concern—that's not going to help the American people, he doesn't want to bother with. He can emphasize the issue over in Japan and all of those other different foreign countries, he can talk about it all day long. Thank you.

Representative REUSS. Congressman Hoyer.

Representative HOYER. Mr. Anderson, before I ask you a question, I want to thank the chairman for giving me this opportunity to participate in this hearing, even though I'm not a member of the committee.

I think the testimony of all these witnesses, as you pointed out earlier, is even more compelling than the cold and hard statistics. It tells us exactly what the magnitude of the problem is.

I think all of us were certainly moved by the testimony of Mr. Bragg, which very dramatically indicates that there are people out there who are really losing hope in the leadership of this country, losing hope that it cares about them and wants to really help them.

Mr. HICKS. Your stated points which, as Representative Hawkins has pointed out, are very necessary.

Mr. Anderson, I wanted to ask you a question. How long have you lived in Baltimore?

Mr. ANDERSON. Thirty-five years, all my life.

Representative HOYER. You indicate that you have never seen, in those 35 years, a time when the employment situation was so bad; is that correct?

Mr. ANDERSON. From the time I've been aware of what working was all about; right.

Representative HOYER. You're a member of the union?

Mr. ANDERSON. Yes, sir.

Representative HOYER. Obviously, all of you deal with other people in the same type of work. Would it be a fair statement that all of your fellow workers who have been laid off are, in fact, desirous of working?

Mr. ANDERSON. Are they desirous of working? I would certainly think so. We've lost our homes, families have been split up, children have left—a multitude of problems that come from no income, that come from making $20,000 to $30,000 a year and then, a year after you're laid off, you have nothing, no place to turn to.

Representative HOYER. All of you have heard Senator Sarbanes and other members of the panel make reference to the classified ads. I presume all of you have looked through the classified ads?

Mr. BRAGG. Sir, could I ask a question?

When Mr. Reagan was on TV and he asked—I can't remember back how long ago or anything—the President said he was looking in the paper and there was 23—you know, a lot of pages in the paper.

I sat down and wrote this man. I don't know how long ago that was, but that man—I don't know—he lives up there in that White House—well, hell, I hate to say this, but that man, to my point of view—I hate to put anybody down. My dad told me he'd kick my butt, and he's in the grave right now—I know he'll turn over when I say this. But I'm a registered Republican. I'm proud to be a Republican, but I'd like to see the Republicans and Democrats get together and get this stupid thing over with.

I can read you a thing here that was given to me by my President here. The Reagan administration was asked—local unions—we sent a telegram to the President of the United States, telling him that we have 5,000 people losing their jobs, especially steel plants.

His exact answer was—and this man wants to get the vote for him or anybody that runs for an office—this man's exact words were:

"This matter is not one of overriding interest of this administration."

This man wants me to vote for him? To be behind him?

My little girl wrote him a letter. It's kind of funny. I'm very proud, because I took the gun to my head and my little girl was—I'm scared, I've looked for jobs, I couldn't find them—my little girl wrote a letter to the President and said:

"Mr. President: My dad took a gun to his head. Now, why don't you?"

I felt very proud that my little girl had enough guts to write that, because I had enough guts to take the gun. I'm sorry that she did write it. I got it before she mailed it. It's at my home. I asked her, I said, "Why did you write that?" She said, "Well, Dad, ever since that man has been in office, you ain't worked." That's the God's truth.

I felt sorry for her, because she's flunked—because the pressure—Crucible Steel shut down on me. I know the President of the United States has one of the greatest, hardest jobs in the world. I'm sorry that he does. I feel really bad about everybody being unemployed. But he doesn't worry about being. The Congressmen do not have to worry about it, because I figure they've got enough saved to win later. I'm not putting none of you down.

But these guys here—this guy and me, all these guys here—I was scared to death to come up here, and I'm scared to death because I don't like to be on TV, I don't like to nothing, because my wife—she yells. Wait till I get home.

But like you said, to ask if we looked for jobs—in our area there's no jobs to look for.

Representative HOYER. Mr. Bragg, if I might, of the people that you talk to, would it be a fair statement that all of them have tried to look through the classified ads to come up with employment? Or are they just sitting back and not bothering?

Mr. ANDERSON. It's a little bit more involved than looking through classified ads. Classified ads are usually looking for specific talent, nurses, computer technicians.

We're trained in various fields. We're just average laborers out of factories or out of coal mines.

When your section of the State is completely shut down or more than half of it is shut down, all the major factories, there's no place to turn to.

Then, if you find one company that's supposed to be hiring, the first thing they want you to do is waive all your rights from your previous job. That's a little unfair, especially when they want to bring you in at half of what you were making, which I don't think is enough for a family of four or five to exist on.

Senator SARBANES. I would like to strike "you're just average laborers in a factory." You're not "just," and you're not "average."

You workers have helped build—the strength of this country is what you're all about. You ought not to be cast in a position of having to apologize—if you look at the ads, you don't have the special skills in computers and something else that were advertised for. The industrial strength of the world's greatest power is built on the contributions that others like you have made over the history of this country. We're not about to abandon those. You are an important part of the strength of this Nation's economy, and you ought not to—I just am concerned because you say, "We're just average laborers." You're an important part of what this country is built on, and you ought to be given a chance to work.

Mr. ANDERSON. Senator Sarbanes, we all probably realize that more than anyone else. But somewhere somebody from higher up doesn't understand that.

Ms. HINES. I would like to say, first of all, the Baltimore Teachers Union goes on record as trying to get funds for teachers. Also teachers, themselves, have tried to create a job market for themselves to no avail.

I would just like to say I do not apologize for being a teacher. This has been a life—a goal for me. I have always, as long as I can remember, wanted to be a teacher, and I love what I am doing. I feel shortchanged when I can't do that job.

Very few people get to do a job that they love and want to go to everyday. I do my job when I am working. So, I do not apologize for being a teacher, because this is what I wanted to do as a career.

I would say that teachers, as a whole, or anyone who is industrious who has come up through any of the systems, whether it be the academic or the vocational, wants to work.

The people that I have talked to, degree and nondegree people, skilled and unskilled, they want to work.

So, I would say set, most of the people that are out there that are unemployed—I would say the majority of them—first of all, some have never been unemployed; and second, yes, they do want to work. They would rather have a job—I, personally, would rather have a job than to draw unemployment.

To me, it's degrading that I would have to call my creditors, which I have never had to do, to tell them that I cannot meet my debt because I do not have the money. This is three to four times in a week since I have been unemployed.

I have just a tremendous amount of responsibility, and I am trying to meet all of that responsibility, holding some people at bay, trying to satisfy some of my son's needs where he is in North Carolina, keeping together the other son that has decided that he can't go to college because it's a hardship on me, plus he can't get a job to keep himself in

school. I have the problem of keeping my daughter's spirit good so she can finish; this is her last year in school.

It's just something that, unless you have had an experience with, you cannot realize the awesomeness, the traumatic experience of being unemployed. I do not wish that on anyone.

The administration certainly needs to look at the human aspect of it. It's the humanistic aspect of it. It's not statistics. 10.1, yes. 10.1—a lot of people unemployed. But he uses statistics to say that, well, if we do this on the one hand, we can withdraw these programs, and that way we are going to make a turnaround, there's going to be a recovery. Any time a recovery is going to take more than 2 years, according to my education, according to what I synthesize, its going to take more than 2 years.

This recovery that we are in, it is a coverup. I don't believe we are in an economic recovery. Seeing the statistics here today would make my belief more than it was before I got here.

We're dealing with human beings, we cannot throw them by the wayside. Education is important. Educational budgets have been cut—very important.

Where do we get our teachers, lawyers, doctors, and other people in our society? We get it through an educational process. Certainly to say that now we don't need these teachers because of the fact that there is no money to pay the teachers is just beyond my comprehension.

Representative HOYER. I'd like to ask one last question.

Obviously, the testimony of all six of these witnesses is very compelling. Obviously, they know an awful lot of people with whom they have worked in the communities in Baltimore County, Flint, Mich., and throughout this country.

Do any of you six know anybody personally or has heard of them, who believes they are better off in October 1982 than they were in January 1981?

Mr. HICKS. Have we heard of anybody who says they are better off now than they were in 1981?

Representative HOYER. January 1981.

Mr. HICKS. You just came to a point there, Congressman Hoyer. I am going to relate back to a statement I made earlier. Come to the point. OK, you emphasized the issue of, have we looked in the want ads. Yes, we look in the want ads, but when you go to apply for a job you're qualified for, you find hundreds of others trying to get that job. Some of the jobs in the plants are taken by schoolteachers who can't find work in their field, and management has begun laying off skilled trades people, too, who can't find work in the want ads.

Back to Reagan's statement that there is something in the want ads. Back here in Flint, regardless of what Reagan says, we have skilled people such as electricians, diemakers, pipefitters, tinsmiths, die welders, and so forth, on the street and unable to find anything in the want ads. Here are innumerable people in the State of Michigan who can't find work, and these people have really tried. Mr. Reagan, you come here and see for yourself. We're really hurting. I guarantee that.

Representative REUSS. Congressman Obey.

Representative OBEY. Mr. Chairman, I understand Representative Mikulski has to leave. I'd like to defer to her, then I will ask my questions.

Representative MIKULSKI. Thank you very much, Mr. Chairman, I ask unanimous consent that Representative Obey be given the time that I don't consume.

Representative REUSS. Without objection.

Representative MIKULSKI. I'd like to welcome the Baltimorans here. We're used to having a winning home team, at least until we came up against Milwaukee. Milwaukee is as bad off as we are. I would like to thank you for coming today and providing both the human face and the human heart to these rather grim statistics.

I can tell you what you need is more than sympathy from your U.S. Government, and every single one of you has presented us with an employment problem that can be solved by U.S. Government policy. Ms. Hines, you could be back to work in a couple of months, if, in fact, we would restore the educational cuts in our budget. Al Bragg, Larry Hicks, Nolan Anderson, all of you guys could be back to work, if we had a realistic import policy in this country and stop exporting jobs and start exporting products.

Particularly for those of you who work in the auto industry, we have got a domestic content bill that is stalled in this Congress that could create the kinds of jobs that you need. Mr. Booth, you are down there at the Baltimore shipyards, those few that we have got left. They just awarded a contract to a company called—low cost bidder, that never even built a ship before, because they were lowest bidder. Just because his name happens to be George Steinbrenner, he got the contract, even though you guys voted for a no-strike clause to keep yourselves working.

Rick Abbott, you could be working in the mines, because we need to export coal in this country. If, in fact, we could dredge the Baltimore Harbor, get those ships out, and we'd make sure that the European allies, who we are supposed to be selling coal to, bought from countries where there is a democratic form of government and guaranteed minimum wage rather than buying and selling from the government in South Africa, with their apartheid policies.

So if our State Department got tough, if our Department of Commerce got tough, and Congress got off on some of its procedures and passed some of this legislation, you folks would be back to work. I know you are going to get a lot of sympathy, but I hope you organize and stay organized to get more than sympathy from the U.S. Government.

God bless you. We hope to see you back at work.

Representative OBEY. Mr. Chairman, I don't have any questions. I do want to echo Representative Mikulski's statement. I do want to thank you for coming here today and putting a personal face on the impersonal numbers which we learned about earlier today. I am sure it was painful for some of you to come here, but I just want to say, as one Member, that you help the country when you do come here, because you do make us aware of what is happening behind those numbers.

I just want to say to the other members of the committee, I am reminded somewhat of four or five lines from G. K. Chesterton, who wrote about the unemployment situation in Nottingham. He observed: "The Christian Social Union here is very much annoyed. It seems that

there is some duty which we never should avoid. And so we sing a lot of hymns to help the unemployed."

It just seems to me that you're coming here today is eloquent testimony that this government has an obligation to do more than sing you a couple of hymns to help the unemployed or sing you a couple of choruses that prosperity is "just around the corner."

It has been somewhat fashionable over the last 3 years or so, for people to say that the Government has—that all Government ought to do is defend the shores and deliver the mail.

Your presence here, I think, is a reminder that Government has a duty to do more than that. I think your presence is a reminder, in fact, that we have a statutory obligation that is spelled out by the Full Employment Act of 1946 and the Humphrey-Hawkins Act of a couple of years ago, to adopt policies that will, in fact, provide an opportunity, not the guarantee, but provide the opportunity for every willing worker, in fact, to find work.

So I would simply suggest that you certainly haven't failed yourselves or your family. It has been been the system and the policymakers in this country who, if anything, have failed you. I thank you for your time.

Mr. BOOTH. Mr. Chairman, may I say something? Referring to Representative Hoyer's question about looking in the classified ads. I looked in the classified ad, and I found jobs, but I found them in other States. I'd have to relocate in order to get the job. I don't have the money to relocate, so I don't know how I am going to get a job like that. It's pretty bad when you want to work, and you can't work. Sometimes there is work, but you can't get there.

I would like to thank this committee for letting me appear here today, and thank my local 24 for sending me here.

Representative VENTO. Mr. Chairman, I know this morning that we have heard a series of negative statistics, a harvest of negative statistics. We have heard point and counterpoint with regard to what's happening in the last throes of the 1982 midcourse campaign. Some try to tell us that prosperity is around the corner and things are going to get better, but I think this morning's release of the unemployment statistics is a very graphic testimony of the true picture. The testimony from those that are impacted by unemployment in the nearby community of Baltimore is being repeated from coast to coast across this Nation.

This is the price of a failed economic policy. We all hoped that it would be successful, while we may not have agreed with some of the components of it. When it was introduced and passed, it was described as a riverboat gamble.

In January of this year, the President said his administration had been the victim of its own success. I only wish that they were the only victims of their last success, but unfortunately, there are millions of victims of the success of Reaganomics. In Minnesota we call it "Wreckonomics," in terms of what it has done to the economy and what's happening. This morning's statistics, no matter how hard we look to what is happening on Wall Street or other places or the change in policy now of the Federal Reserve Board are grim. These policies have made guinea pigs out of American workers, and you have every

right to be outraged and concerned about them. We need the type of testimony that you have presented here today, so that we can get the attention of the others who help us in the formation of public policy.

I have not been one that has structured this policy. We believe, and I think that it is appropriate for the national government to take a role as an economic activist to address this issue.

We were not sent to this Congress to sit on our hands, to watch the deterioration of American industry and watch the deterioration of the American dream, whether it is home construction, or anything else. We cannot only support social security, which I might add, in spite of this unemployment level, is still supporting itself. Under this administration we can't support anything. We can't support a defense industry. Here we have steelworkers this morning across the hall and in this hearing. They closed a steel plant in Pennsylvania that would have been able to produce all of the imported specialty steel. That is what we import. That plant by itself could have produced all of it. We wouldn't have had to import anything.

So we have to face up to a basic policy question, is it going to be a question of a free enterprise system and letting water seek its lowest level, or is it going to be a practical view that comes to grips with reality with regard to the economic and tax policy that takes into consideration the impact that this has on workers or families, whether they are young workers or older workers?

We believe that we have to send a message on November 2, to the other end of Pennsylvania Avenue, and I hope workers like you and Americans across this country will get out and participate in waking up Mr. Reagan and waking up Mr. Regan and waking up Mr. Volcker, as to where their faulty policies have led this great nation, and where we are going today.

Thank you, Mr. Chairman.

Representative REUSS. Thank you, Ms. Hines, Mr. Hicks, Mr. Bragg, Mr. Booth, Mr. Abbott, and Mr. Anderson. You have delivered a message that will be heard and will be heeded. We are grateful to you, and we wish you better luck.

We now stand in adjournment.

[Whereupon, at 12:10 p.m., the committee adjourned, subject to the call of the Chair.]

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EMPLOYMENT-UNEMPLOYMENT

FRIDAY, NOVEMBER 5, 1982

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in room 2128, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representatives Reuss and Mitchell.

Also present: James K. Galbraith executive director; Betty Maddox, assistant director for administration; and Mary E. Eccles, Lowell Gallaway and Nathaniel Thomas, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for its hearing on unemployment.

The news is in and it's awful. The October unemployment figure is devastating, up more than three-tenths of a percentage point to 10.4 percent, the highest since the Depression. Sadly, when late last month we predicted that this is just what would happen, the President called our prediction politics.

But today is not the time for gloating; it is a time for a constructive bipartisan congressional effort to bring unemployment down before we do even greater damage to our economic and social structure.

The voters for House seats, the governorships, the State legislatures have sent a message. They want action, action now, without waiting for a new Congress to get organized and into business sometime next spring.

They want Democrats and Republicans to work together to create such a program. If legislators of good will on both sides of the aisle will heed this signal we can have an era of cooperation rather than one of confrontation, which has been the case in the recent past.

I believe there are enough people in both parties on Capitol Hill to constitute a majority for immediate constructive action to modify the disastrous course we have been pursuing. Those who know the President from old times tell me that he may well decide not to fight such a constructive initiative from Capitol Hill. They tell me he may decide to follow the advice of old Speaker Sam Rayburn: "If you want to get along, go along."

Based on emergency hearings over the past month we of the Joint Economic Committee are currently preparing policy recommendations for the lame duck session of Congress, policy recommendations which

were requested early last month by Speaker O'Neill and Senate Minority Leader Byrd.

The package is being designed to deal with both the immediate hardships of the recession and the economy's longer term needs. It will not be a list of favorite Democratic proposals. Major elements already enjoy bipartisan support in the Congress.

The plan at this stage includes the following points:

(1) INFRASTRUCTURE

Hundreds of thousands of jobs could be generated quickly by upgrading the Nation's public physical capital. The emphasis must be on construction and repair of streets, bridges, water systems, sewer systems, ports, railroads, and other public facilities, all vital prerequisites for economic development.

Legislation already passed by the House would provide $1 billion for infrastructure improvements. Given the massive investment needs facing local communities over the next decade, a larger program is feasible. Reauthorization and some improvement of programs administered by the EDA would provide additional resources for this effort.

In addition, a well-run public employment program could provide useful work, particularly for our young people, in maintaining the physical infrastructure and in conserving our outdoor resources.

(2) HOUSING

Subsidies for new, moderately priced housing offer another means of reemploying hundreds of thousands of workers in construction and related industries. Subsidies of mortgage interest rates should be available for low- and moderate-income families along the lines of homeowner legislation vetoed by the President last summer. This should be complemented by new multifamily rental assistance programs and by changes in the existing tax incentive laws so as to encourage the rehabilitation and conversion of older buildings to low- and moderate-income housing.

Besides boosting construction employment, these housing measures will generate jobs in a wide variety of depressed industries, including lumber, steel, home appliances, and other durables.

(3) MILITARY SPENDING

We must act to reduce the growth in future deficits due to an excessively rapid and wasteful increase in armaments expenditure. A moderate and sustainable rate of 5 percent per year in real terms is adequate to create an effective military and yet to avoid weakening the country by endless inflationary outyear deficits.

(4) MONETARY POLICY

The Congress must insist that the Federal Reserve take sustained action to lower real interest rates. Despite a recent easing of monetary

policy the Fed remains committed to going back to restrictive targets for the growth of money and credit next January 1. For the last few weeks, thank heaven, the Fed hath given. An immediate legislative signal is needed so that the Fed will not abruptly take it away.

Commissioner Norwood, we are grateful, as always, for your presence here this morning. Congressman Mitchell.

OPENING STATEMENT OF REPRESENTATIVE MITCHELL

Representative MITCHELL. Thank you, Mr. Chairman.

I want to join you in hoping that the Congress will move swiftly and effectively on the recommendations being advanced by this committee. It is time to act. I do not think we can put action off any longer.

In addition, I reflect on American history, and I can only remember a few occasions when pain was inflicted on American citizens as a part of national policy. In our domestic wars, both the Civil War and the war against the Indians, there was national policy that inflicted pain. When this nation permitted slavery and racial segregation as the law of the land which was national policy, enormous pain was inflicted.

But apart from those one or two instances I am hard pressed to think of any time in which national policy geared toward some ephemeral economic theory was used to inflict pain on the American citizens, and that is exactly what is happening today—enormous pain is being inflicted.

I honestly do not believe that old Herbert Hoover meant to inflict pain. I think he was a victim of circumstance, incompetent to deal with the situation, and I do not think that was the intent of the Hoover administration. But this administration has the experience and the benefit of reading history. It has the benefit of economic forecasts and indicators, and yet it has deliberately chosen to follow a course which is inflicting enormous pain on not only the 11 million persons counted as unemployed, but literally hundreds of thousands of others.

How short sighted it is, how stupid it is to continue to inflict pain which is going to be with us for many years.

Our psychologists point out that there is a correlation between the rates of unemployment and the incidence of mental illness. Some other new statistics that I learned of yesterday point out that for every 1 percentage increase in unemployment the number of suicides exceeds 200; that is pain.

This is most troubling to me. What is totally troubling to me is the callous and cynical attitude of the administration toward the black unemployed. I know what the administration's position is on blacks in this country. They do not support affirmative action, which will thwart every kind of gain that blacks have made. I understand that. But to permit 20 percent of black Americans to be out of work is totally unconscionable.

Any unemployment is bad, particularly for any person who is out of work and wants to work. But to perpetuate a national policy which now has one out of every five, 20 percent, blacks unemployed is the most cruel, cynical and vicious position an administration can take.

I do not know how much people can take. I know it gets harder for me each month. I am working. How much more can those people take when they see their unemployment benefits exhausted, money to feed their families, and who see a contempt, an arrogant contempt demonstrated day by day by the present administration. And the Congress, a Congress that does not have guts enough to put up a fight against those who would inflict pain on human beings.

Mr. Chairman, I know that in our report of recommendations we have steered away from odd dollar figures, but I'm going to recommend that we fight very hard for a minimum $7 billion public works bill. That figure pales into insignificance when you look at the rate of unemployment and measure that by $22 billion in income maintenance for every 1 percent of unemployment. $7 billion of public works would be the shot in the arm that we need. It will not ease the pain of literally hundreds of thousands, millions of people who are suffering. It will not ease all of that pain, but it will give hope and ease the pain for some.

I stressed my concern about black unemployment this morning because for years I have been arguing that there is a tradeoff between black unemployment and inflation. It really was not until white unemployment started to rise that any attention was paid to the unemployment rate. None. I stress that primarily because I think that kind of an attitude is symptomatic and demonstrable evidence of what this administration thinks about me and my people.

Thank you for letting me make a statement, Mr. Chairman.

Representative REUSS. Thank you.

Commissioner Norwood.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY THOMAS J. PLEWES, ASSISTANT COMMISSIONER, OFFICE OF EMPLOYMENT STRUCTURE AND TRENDS; AND KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS

Ms. NORWOOD. I am very pleased to be here this morning to offer the Joint Economic Committee a few comments to supplement our "Employment Situation" press release issued this morning.

The employment situation deteriorated further in October. The statistics released today by the Bureau of Labor Statistics show an increase in unemployment and a decline in employment. The reduction in jobs continued to be concentrated in the manufacture of durable goods where employment has declined for the past 15 months.

The overall unemployment rate increased from 10.1 to 10.4 percent. The rate for adult men was 9.8 percent in October. It has moved up 4 percentage points over the course of the 1981–82 recession. The rate for adult woman also increased in October; it has been rising less sharply than the rate for men and, at 8.6 percent in October, was up about 2 percentage points from July 1981. The teenage unemployment

rate was about unchanged in October; it has hovered around 24 percent for the past 4 months.

The jobless rate for full-time workers rose in October, and the jobless rate for persons 25 years and older reached 8.1 percent. Because this recession is concentrated in the goods producing sector where nearly all jobs are full time and this sector employs a high proportion of prime age males, jobless rates for both of these groups are at record highs.

A considerable amount of turnover among the jobless usually occurs from month to month, and nearly 4 million persons who were unemployed in October were not jobless in the preceding month. Nevertheless, the recession has resulted in an increase in the duration of unemployment. In October, 35 percent of the total unemployed had been jobless for 15 weeks or longer, and nearly 20 percent of the total for 6 months or more.

The October employment decline was particularly evident in the household series, where employment had held about steady over the June–September period when there were continued reductions in the payroll series. The figures released today bring the two series closer in line, with the household series registering a decline of about 700,000 since June and the payroll series 900,000.

In October payroll employment, as measured in the business survey, declined by 265,000. The BLS diffusion index of 186 industries showed that these employment declines were widespread. Three quarters of the decline was in durable goods manufacturing. Job reductions were especially large in the machinery, transportation equipment, primary metals, fabricated metals, and electrical equipment industries.

The proportion of the population with jobs, although still high by historical standards, has edged down since the beginning of the recession. It declined to 56.6 percent in October. The ratio for adult men, at 69.5 percent in October, has declined 3.1 percentage points since the current recession began.

The labor force, which has increased by 1.5 million over the past year, declined by 340,000 in October after seasonal adjustment, returning to the same level as in August. Since August, however, the adult male labor force has increased by 330,000, whereas the adult female labor force has decreased by 280,000.

Since the recession began the increase in the rate of women's labor force participation has slowed. Their rate of participation held about steady between May 1981 and April 1982. While there was an apparent pickup in women's labor force activity during the summer months, that increase has been almost wiped out over the past 2 months.

In summary, the labor market deteriorated further in October. Employment declined substantially, particularly in durable manufacturing; unemployment was especially high among construction workers and factory workers; and the overall unemployment rate reached 10.4 percent.

Mr. Chairman, Mr. Plewes, on my left, who handles our labor force data, and Mr. Dalton, on my right, who is our expert in prices, and I will try to answer any questions you may have.

[The table attached to Ms. Norwood's statement, together with the press release referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X–11 ARIMA method						X–11 method (former official method)	Range (cols. 2 to 8)
		Official	Concurrent	Stable	Total	Residual	12-mo. extrapolation		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1981									
October	7.5	8.0	8.0	8.1	7.9	7.9	8.0	8.0	0.2
November	7.9	8.3	8.3	8.4	8.3	8.3	8.3	8.4	.1
December	8.3	8.8	8.8	8.8	8.8	8.6	8.8	8.8	.2
1982									
January	9.4	8.5	8.6	8.5	8.6	8.7	8.5	8.5	.2
February	9.6	8.8	8.7	8.6	8.8	8.9	8.8	8.7	.3
March	9.5	9.0	9.0	8.9	9.0	9.3	9.0	9.0	.4
April	9.2	9.4	9.3	9.4	9.5	9.4	9.4	9.4	.2
May	9.1	9.5	9.3	9.9	9.8	9.4	9.5	9.7	.6
June	9.8	9.5	9.5	9.4	9.2	9.4	9.5	9.5	.3
July	9.8	9.8	9.7	9.8	9.6	9.6	9.7	9.7	.2
August	9.6	9.8	9.8	9.8	9.7	9.7	9.7	9.7	.1
September	9.7	10.1	10.1	10.1	10.1	9.9	10.2	10.1	.3
October	9.9	10.4	10.4	10.6	10.4	10.2	10.5	10.5	.4

EXPLANATION OF COLUMN HEADS

(1) Unadjusted rate: Unemployment rate not seasonally adjusted.

(2) Official rate (X–11 ARIMA method): The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yr. and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (auto-regressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X–11 portion of the X–11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January–June are computed at the beginning of each year; extrapolated factors for July–December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, of employment and earnings.

(3) Concurrent (X–11 ARIMA method): The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X–11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980.

(4) Stable (X–11 ARIMA method): Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X–11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year to year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X–11 ARIMA method): This is 1 alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X–11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X–11 ARIMA method): This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) 12-month extrapolation (X–11 ARIMA method): This approach is the same as the official procedure except that the factors are extrapolated in 12-mo intervals. The factors for January–December of the current year are computed at the beginning of the year based on data through the preceding year. The values for January through June of the current year are the same as the official values since they reflect the same factors.

(8) X–11 method (former official method): The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X–11 program is used to perform the seasonal adjustment.

Methods of adjustment: The X–11 ARIMA method was developed at Statistics Canada by the Seasonal Adjustment and Times Series Staff under the direction of Estela Bee Dagum. The method is described in "The X–11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum, Statistics Canada Catalogue No. 12–564E, February 1980.

The standard X–11 method is described in "X–11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Allan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 1982.

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THE EMPLOYMENT SITUATION: OCTOBER 1982

Unemployment rose in October and employment declined after adjustment for seasonality, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The Nation's unemployment rate increased from 10.1 to 10.4 percent over the month and was substantially above the July 1981 pre-recession low of 7.2 percent.

Total employment--as measured by the monthly survey of households--fell by 630,000 in October to 99.1 million. Nonfarm payroll employment--as measured by the monthly survey of establishments--dropped by 265,000 to 88.9 million, as job losses continued in durable goods manufacturing.

Unemployment

The number of unemployed persons rose by 290,000 in October to 11.6 million, seasonally adjusted, following an increase of 450,000 in the previous month. Since July 1981, unemployment has risen by 3.7 million, with virtually all of the increase occurring among persons laid off or permanently separated from their jobs. Persons who have lost their jobs now account for over 63 percent of total unemployment, compared with about 50 percent in July a year ago. (See tables A-1 and A-7.)

The overall unemployment rate, at 10.4 percent in October, was 0.3 percentage point higher than in September. The rate has increased fairly steadily over the past 15 months from a pre-recession low of 7.2 percent. Nearly all of the October rise in joblessness occurred among adult men and women, whose rates reached 9.8 and 8.6 percent, respectively; the rate for teenagers was about unchanged at 24.0 percent. The increase for adult workers was reflected in higher unemployment rates for married men (7.6 percent), married women (7.9 percent), and full-time workers (10.5 percent). Among race-ethnic groups, the unemployment rate for white workers rose to 9.3 percent, while rates for Hispanics and blacks, at 15.2 and 20.2 percent, respectively, remained at record levels. Virtually every worker group has posted substantial increases in unemployment from their pre-recession levels. (See tables A-1, A-2, and A-5.)

The average (mean) duration of unemployment rose over the month to a post-World War II high of 17.2 weeks, as the number of long-term unemployed (those jobless 15 weeks or more) continued to increase. Median duration was about unchanged at 9.6 weeks, after rising in September. (See table A-6.)

The number of nonfarm workers on part-time schedules for economic reasons held about steady at 6.6 million in October, following a sharp rise in September. This number was 2.2 million above the July 1981 level. (See table A-3.)

Total Employment and the Labor Force

Total employment dropped by 630,000 in October to 99.1 million, seasonally adjusted. Since July 1981, employment has dropped by 1.8 million, and the proportion of the population employed, at 56.4 percent in October, has declined by almost 2 full percentage points. Declines in the ratio occurred among all three major age-sex groups but were sharpest among adult men and teenagers.

The civilian labor force declined by 340,000 in October to 110.6 million, seasonally adjusted, following an increase of the same magnitude a month earlier. Over the year, the labor force expanded by 1.5 million persons, with adult women accounting for 1.0 million of the gain and adult men another 850,000. A labor force decrease for teenagers of 375,000 stemmed primarily from a declining population. (See table A-1.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Sept.-Oct. change
	1981	1982		1982			
	III	II	III	Aug.	Sept.	Oct.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	108,667	110,168	110,715	110,644	110,980	110,644	-336
Total employment	100,654	99,740	99,764	99,839	99,720	99,093	-627
Unemployment	8,013	10,428	10,952	10,805	11,260	11,551	291
Not in labor force	61,746	61,852	61,807	61,867	61,710	62,237	527
Discouraged workers	1,094	1,497	1,619	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	7.4	9.5	9.9	9.8	10.1	10.4	0.3
Adult men	6.0	8.4	9.1	8.9	9.6	9.8	0.2
Adult women	6.7	8.2	8.3	8.2	8.3	8.6	0.3
Teenagers	19.1	22.8	23.9	24.0	23.7	24.0	0.3
White	6.4	8.4	8.8	8.6	9.0	9.3	0.3
Black	15.8	18.5	19.2	18.8	20.2	20.2	0
Hispanic origin	9.8	13.3	14.4	14.6	14.6	15.2	0.6
Full-time workers	7.0	9.3	9.7	9.6	10.1	10.5	0.4
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,360	90,029	89,345p	89,312	89,188p	88,925p	-263p
Goods-producing industries	25,646	24,179	23,677p	23,657	23,535p	23,279p	-256p
Service-producing industries	65,714	65,850	65,668p	65,655	65,653p	65,646p	-7p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.2	34.9	34.8p	34.8	34.8p	34.7p	-0.1p
Manufacturing	39.8	39.1	39.0p	39.0	38.7p	38.7p	0p
Manufacturing overtime	2.9	2.4	2.4p	2.4	2.3p	2.2p	-0.1p

p=preliminary. N.A.=not available.

Industry Payroll Employment

Nonagricultural payroll employment declined by 265,000 in October to 88.9 million, after seasonal adjustment. Since July 1981, the number of nonfarm jobs has fallen by 2.5 million. Most of the over-the-month cutbacks were in the goods-producing sector, especially in the durable goods manufacturing industries where employment dropped by 200,000. (See table B-1.)

Among the durable goods industries, the most sizable losses occurred in the five major metal and metal-using industries--machinery, primary metals, fabricated metals, transportation equipment, and electrical equipment. Within nondurable goods, several industries registered small employment declines. Manufacturing employment was down 230,000 over the month and 2.0 million since July 1981. Jobs in mining and construction also continued to decline.

Employment in the service-producing sector was little different from September, as changes among the component industries were generally small and offsetting. There was, however, a continued reduction in trade, where job losses have totaled 180,000 in the past 3 months.

Hours of Work

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls, at 34.7 hours in October, seasonally adjusted, edged down 0.1 hour over the month. The factory workweek was unchanged at 38.7 hours, after having dropped by half an hour between July and September. Factory overtime was down 0.1 hour to 2.2 hours in October. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls declined 0.6 percent in October to 103.2 (1977=100). The manufacturing index dropped 1.8 percent over the month to 83.9 and has declined by 16 percent since July 1981. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings increased 0.4 percent in October, while average weekly earnings edged up by 0.1 percent, seasonally adjusted. Before adjustment for seasonality, average hourly earnings rose 2 cents to $7.78, 36 cents above the year-earlier level. Average weekly earnings, at $270.74, were up 69 cents over the month and $9.56 over the year. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index (HEI) was 150.6 (1977=100) in October, seasonally adjusted, 0.4 percent higher than in September. For the 12 months ended in October, the increase (before seasonal adjustment) was 6.1 percent. The HEI excludes the effects of two types of changes unrelated to underlying wage rate movements--fluctuations in overtime in manufacturing and interindustry employment shifts. In dollars of constant purchasing power, the HEI increased 1.2 percent during the 12-month period ended in September. (See table B-4.)

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 177,000 establishments employing about 36 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

----The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

----The household survey includes people on unpaid leave among the employed; the establishment survey does not;

----The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

----The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force . :h June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $6.00 per issue or $39.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

HOUSEHOLD DATA

HOUSEHOLD DATA

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1981	Sept. 1982	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
TOTAL									
Total noninstitutional population[1]	172,966	174,889	175,069	172,966	174,364	174,584	174,797	174,889	175,069
Armed Forces[1]	2,156	2,198	2,186	2,156	2,173	2,180	2,196	2,198	2,188
Civilian noninstitutional population[1]	170,809	172,690	172,884	170,809	172,190	172,364	172,511	172,690	172,881
Civilian labor force	109,284	110,546	110,767	109,012	110,191	110,522	110,684	110,983	110,684
Participation rate	64.0	64.0	64.1	63.8	64.0	64.1	64.1	64.3	64.0
Employed	101,028	99,851	99,825	100,343	99,764	99,732	99,839	99,720	99,593
Employment-population ratio[2]	58.4	57.1	57.0	58.0	57.2	57.1	57.1	57.0	56.6
Agriculture	3,577	3,612	3,618	3,378	3,357	3,460	3,435	3,368	3,426
Nonagricultural industries	97,451	96,239	96,207	96,965	96,406	96,272	96,404	96,352	95,967
Unemployed	8,256	10,695	10,942	8,669	10,427	10,790	10,845	11,263	11,091
Unemployment rate	7.5	9.7	9.9	8.0	9.5	9.8	9.8	10.1	10.0
Not in labor force	61,565	62,144	62,116	61,797	61,999	61,842	61,867	61,710	62,237
Men, 16 years and over									
Total noninstitutional population[1]	82,807	83,712	83,798	82,807	83,464	83,550	83,627	83,712	83,798
Armed Forces[1]	1,976	2,008	1,998	1,976	1,983	1,990	2,004	2,008	1,998
Civilian noninstitutional population[1]	80,831	81,705	81,799	80,831	81,480	81,560	81,622	81,705	81,799
Civilian labor force	61,808	62,296	62,375	62,064	62,267	62,353	62,460	62,852	62,779
Participation rate	76.5	76.2	76.3	76.8	76.4	76.5	76.5	76.9	76.7
Employed	57,529	56,335	56,203	57,266	56,223	56,192	56,210	56,148	55,915
Employment-population ratio[2]	69.5	67.3	67.1	69.2	67.4	67.3	67.2	67.1	66.7
Unemployed	4,279	5,961	6,172	4,798	6,045	6,161	6,250	6,704	6,864
Unemployment rate	6.9	9.6	9.9	7.7	9.7	9.9	10.0	10.7	10.9
Men, 20 years and over									
Total noninstitutional population[1]	74,502	75,640	75,749	74,502	75,323	75,429	75,531	75,640	75,749
Armed Forces[1]	1,727	1,773	1,765	1,707	1,738	1,748	1,751	1,773	1,765
Civilian noninstitutional population[1]	72,795	73,867	73,984	72,795	73,585	73,685	73,778	73,867	73,984
Civilian labor force	57,341	58,189	58,193	57,355	58,016	58,084	58,026	58,807	58,159
Participation rate	78.8	78.7	78.7	78.8	78.8	78.8	78.7	79.1	78.9
Employed	53,920	53,212	53,056	53,504	52,985	52,996	52,887	52,828	52,626
Employment-population ratio[2]	72.4	70.3	70.0	71.8	70.3	70.3	70.0	69.8	69.5
Agriculture	2,540	2,579	2,592	2,411	2,424	2,474	2,436	2,447	2,462
Nonagricultural industries	51,380	50,633	50,465	51,091	50,561	50,522	50,451	50,381	50,164
Unemployed	3,421	4,937	5,137	3,851	5,031	5,088	5,139	5,579	5,533
Unemployment rate	6.0	8.5	8.8	6.7	8.7	8.8	8.9	9.6	9.5
Women, 16 years and over									
Total noninstitutional population[1]	90,159	91,176	91,272	90,159	90,900	90,995	91,061	91,176	91,272
Armed Forces[1]	181	191	190	181	190	191	192	191	190
Civilian noninstitutional population[1]	89,978	90,985	91,082	89,978	90,710	90,804	90,869	90,985	91,082
Civilian labor force	47,436	48,250	48,392	46,948	47,924	48,169	48,185	48,129	47,885
Participation rate	52.7	53.0	53.1	52.2	52.8	53.0	53.0	52.9	52.6
Employed	43,496	43,516	43,622	43,077	43,541	43,540	43,630	43,572	43,479
Employment-population ratio[2]	48.2	47.7	47.8	47.8	47.9	47.8	47.9	47.8	47.7
Unemployed	3,937	4,734	4,771	3,871	4,382	4,629	4,555	4,556	4,406
Unemployment rate	8.3	9.8	9.9	8.2	9.1	9.6	9.5	9.5	9.2
Women, 20 years and over									
Total noninstitutional population[1]	82,078	83,320	83,438	82,078	82,976	83,091	83,201	83,320	83,438
Armed Forces[1]	156	160	167	156	165	165	166	160	167
Civilian noninstitutional population[1]	81,920	83,152	83,271	81,920	82,811	82,926	83,035	83,152	83,271
Civilian labor force	43,622	44,308	44,448	42,831	43,904	44,076	44,119	44,025	43,833
Participation rate	53.2	53.3	53.4	52.3	53.0	53.1	53.2	52.9	52.6
Employed	40,330	40,487	40,586	39,814	40,350	40,392	40,490	40,369	40,366
Employment-population ratio[2]	49.1	48.6	48.6	48.5	48.6	48.6	48.7	48.5	48.0
Agriculture	671	663	638	596	581	600	589	585	572
Nonagricultural industries	39,659	39,824	39,948	39,218	39,769	39,791	39,901	39,784	39,674
Unemployed	3,092	3,821	3,862	3,017	3,554	3,684	3,626	3,656	3,787
Unemployment rate	7.1	8.6	8.7	7.0	8.1	8.4	8.2	8.3	8.6
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,390	15,929	15,882	16,390	16,065	16,028	15,976	15,929	15,882
Armed Forces[1]	297	258	257	297	271	272	276	258	257
Civilian noninstitutional population[1]	16,093	15,671	15,625	16,093	15,794	15,753	15,702	15,671	15,625
Civilian labor force	8,481	8,089	8,106	8,826	8,271	8,162	8,503	8,588	8,612
Participation rate	52.7	51.6	51.9	54.8	52.4	51.8	54.2	54.5	54.1
Employed	6,778	6,152	6,162	7,025	6,229	6,198	6,463	6,523	6,422
Employment-population ratio[2]	41.4	38.6	38.9	42.9	40.0	39.6	40.5	41.0	40.6
Agriculture	366	370	389	369	353	386	411	336	393
Nonagricultural industries	6,411	5,782	5,798	6,656	6,076	5,958	6,052	6,187	6,029
Unemployed	1,703	1,937	1,924	1,801	1,842	2,016	2,040	2,065	2,030
Unemployment rate	20.1	23.9	23.7	20.4	22.3	24.1	24.0	23.7	23.9

[1] The population and Armed Forces figures are not adjusted for seasonal variations, therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

HOUSEHOLD DATA

Table A-2. Employment status of the population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1981	Sept. 1982	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
WHITE									
Civilian noninstitutional population[1]	168,562	169,652	169,838	168,562	169,029	169,569	169,536	169,652	169,838
Civilian labor force	95,562	96,186	96,479	95,365	96,223	96,093	96,414	96,762	96,421
Participation rate	66.3	66.4	66.4	66.2	66.9	66.5	66.5	66.7	66.3
Employed	89,197	88,175	88,145	88,734	88,173	88,137	88,133	88,020	87,814
Unemployed	6,165	8,171	8,334	6,631	8,050	8,356	8,281	8,742	8,607
Unemployment rate	6.5	8.5	8.6	7.0	8.4	8.7	8.6	9.0	9.1
Men, 20 years and over									
Civilian labor force	50,764	51,315	51,382	50,611	51,252	51,292	51,269	51,607	51,521
Participation rate	78.2	78.2	78.1	78.3	78.3	78.2	78.2	78.6	78.4
Employed	48,155	47,493	47,359	47,790	47,300	47,256	47,202	47,163	46,981
Unemployed	2,609	3,822	3,983	3,021	3,952	4,037	4,067	4,444	4,537
Unemployment rate	5.1	7.4	7.7	5.9	7.7	7.9	7.9	8.6	8.8
Women, 20 years and over									
Civilian labor force	37,267	37,904	38,013	36,742	37,619	37,805	37,716	37,708	37,679
Participation rate	52.4	52.7	52.8	51.7	52.5	52.7	52.6	52.5	52.1
Employed	34,981	35,035	35,122	34,517	34,964	35,067	35,033	34,930	34,637
Unemployed	2,286	2,869	2,890	2,225	2,655	2,737	2,683	2,777	2,842
Unemployment rate	6.1	7.6	7.6	6.1	7.1	7.3	7.1	7.4	7.6
Both sexes, 16-19 years									
Civilian labor force	7,550	7,127	7,164	7,812	7,352	7,356	7,429	7,867	7,922
Participation rate	56.3	54.9	55.3	58.2	56.1	56.3	57.1	57.6	57.3
Employed	6,260	5,687	5,663	6,827	5,929	5,814	5,899	5,927	5,814
Unemployed	1,290	1,440	1,501	1,385	1,423	1,542	1,530	1,520	1,608
Unemployment rate	17.1	20.6	20.9	17.7	19.4	21.0	20.6	20.8	21.1
Men	16.9	21.6	22.0	17.9	21.1	22.6	22.5	22.0	23.1
Women	17.3	19.9	19.8	17.5	17.5	19.2	18.6	18.7	20.1
BLACK									
Civilian noninstitutional population[1]	18,333	18,659	18,692	18,333	18,570	18,600	18,626	18,659	18,692
Civilian labor force	11,257	11,433	11,462	11,188	11,253	11,322	11,412	11,462	11,395
Participation rate	61.4	61.3	61.3	61.0	60.6	60.9	61.3	61.5	61.0
Employed	9,407	9,199	9,182	9,313	9,176	9,223	9,262	9,166	9,096
Unemployed	1,851	2,235	2,280	1,875	2,079	2,098	2,150	2,316	2,299
Unemployment rate	16.4	19.5	19.9	16.8	18.5	18.5	18.8	20.2	20.2
Men, 20 years and over									
Civilian labor force	5,324	5,388	5,428	5,276	5,368	5,362	5,359	5,407	5,389
Participation rate	75.6	76.6	75.0	76.7	76.7	76.5	76.8	76.9	76.6
Employed	4,590	4,416	4,414	4,498	4,447	4,459	4,437	4,336	4,323
Unemployed	734	972	1,014	778	918	903	922	1,073	1,066
Unemployment rate	13.8	18.0	18.7	14.7	17.1	16.8	17.2	19.8	19.8
Women, 20 years and over									
Civilian labor force	5,140	5,255	5,274	5,061	5,153	5,161	5,198	5,195	5,164
Participation rate	57.2	57.2	57.2	56.1	56.4	56.6	56.7	56.5	56.0
Employed	4,607	4,600	4,589	4,361	4,376	4,363	4,411	4,378	4,324
Unemployed	734	655	685	700	775	798	787	817	840
Unemployment rate	14.3	14.3	16.8	13.9	15.0	15.5	15.1	15.7	16.3
Both sexes, 16-19 years									
Civilian labor force	793	790	760	871	736	799	855	881	862
Participation rate	34.8	35.2	34.0	38.2	32.6	35.5	38.1	39.3	37.6
Employed	410	382	380	474	389	402	414	459	449
Unemployed	383	408	381	397	387	397	441	422	393
Unemployment rate	48.3	51.6	50.1	45.6	52.6	49.7	51.6	48.5	46.7
Men	42.9	52.6	50.6	41.6	58.1	48.3	50.1	51.2	48.9
Women	53.4	50.6	49.5	49.5	46.2	51.2	53.1	45.4	45.2
HISPANIC ORIGIN									
Civilian noninstitutional population[1]	9,559	9,464	9,474	9,559	9,420	9,521	9,469	9,466	9,474
Civilian labor force	6,107	5,954	6,008	6,078	5,931	5,966	6,087	5,967	5,998
Participation rate	63.9	62.9	63.4	63.5	62.9	62.7	62.8	63.1	63.3
Employed	5,500	5,163	5,167	5,422	5,131	5,135	5,197	5,097	5,086
Unemployed	606	812	841	652	800	832	890	870	906
Unemployment rate	9.9	13.6	14.0	10.7	13.5	13.9	14.6	14.6	15.2

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Oct. 1981	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
CHARACTERISTIC								
Total employed, 16 years and over	101,038	99,825	100,303	99,766	99,732	99,839	99,720	99,093
Married men, spouse present	39,129	38,269	38,746	38,256	38,213	38,186	38,041	37,899
Married women, spouse present	24,387	24,552	23,876	24,401	24,223	24,380	24,187	24,067
Women who maintain families	5,068	5,128	5,005	5,112	5,287	5,216	5,115	5,108
OCCUPATION								
White-collar workers	53,387	53,067	53,199	53,105	53,085	53,756	53,076	53,683
Professional and technical	16,813	17,219	16,881	17,053	17,292	17,023	16,981	17,049
Managers and administrators, except farm	11,646	11,620	11,616	11,506	11,355	11,613	11,669	11,605
Sales workers	6,391	6,588	6,600	6,567	6,567	6,677	6,507	6,595
Clerical workers	18,536	18,632	18,502	18,482	18,671	18,837	18,819	18,395
Blue-collar workers	31,212	29,389	30,953	29,716	29,609	29,665	29,163	29,187
Craft and kindred workers	12,510	12,213	12,606	12,207	12,229	12,382	12,253	12,164
Operatives, except transport	10,599	9,124	10,610	9,655	9,653	9,257	8,938	8,965
Transport equipment operatives	3,632	3,395	3,500	3,618	3,639	3,268	3,369	3,362
Nonfarm laborers	4,471	4,658	4,517	4,661	4,588	4,598	4,583	4,696
Service workers	13,488	13,693	13,525	13,791	13,636	13,826	14,029	13,725
Farm workers	2,941	2,675	2,770	2,660	2,750	2,711	2,714	2,710
MAJOR INDUSTRY AND CLASS OF WORKER[1]								
Agriculture								
Wage and salary workers	1,556	1,667	1,502	1,631	1,530	1,568	1,538	1,698
Self-employed workers	1,714	1,692	1,631	1,676	1,674	1,613	1,562	1,616
Unpaid family workers	307	259	261	251	250	256	255	221
Nonagricultural industries								
Wage and salary workers	89,827	88,416	89,060	88,606	88,581	88,737	88,650	87,895
Government	15,638	15,559	15,691	15,635	15,603	15,569	15,691	15,620
Private industries	74,188	72,856	73,369	72,970	72,978	73,168	72,959	72,275
Private households	1,171	1,226	1,162	1,201	1,200	1,262	1,229	1,229
Other industries	73,017	71,628	72,207	71,770	71,778	71,927	71,730	71,255
Self-employed workers	7,200	7,399	7,152	7,319	7,268	7,352	7,478	7,331
Unpaid family workers	429	396	451	397	399	409	372	415
PERSONS AT WORK[1]								
Nonagricultural industries	93,106	91,830	91,384	91,820	90,581	90,588	91,054	90,220
Full-time schedules	75,139	72,897	73,886	72,662	72,430	72,112	71,700	71,215
Part time for economic reasons	6,655	6,873	5,809	5,866	5,892	5,668	6,600	6,576
Usually work full time	1,799	2,232	2,006	2,066	2,001	2,056	2,571	2,516
Usually work part time	2,856	3,041	3,803	3,800	3,891	3,596	4,029	4,060
Part time for noneconomic reasons	13,312	13,369	12,489	12,914	13,079	12,768	12,754	12,631

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial dispute.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1981		1982			1982		
	III	IV	I	II	III	Aug.	Sept.	Oct.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	2.0	2.1	2.5	3.0	3.3	3.3	3.5	3.6
U-2 Job losers as a percent of the civilian labor force	3.8	4.5	4.9	5.5	5.9	5.7	6.4	6.8
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	5.3	6.1	6.5	7.2	7.5	7.3	7.9	8.1
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	7.0	8.1	8.6	9.3	9.7	9.6	10.1	10.5
U-5 Total unemployed as a percent of the civilian labor force (official measure)	7.6	8.3	8.8	9.5	9.9	9.8	10.1	10.4
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	9.8	10.8	11.6	12.1	12.7	12.6	13.0	13.7
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	10.9	11.8	12.5	13.0	13.1	N.A.	N.A.	N.A.

N.A. = not available.

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Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rate					
	Oct. 1981	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
CHARACTERISTIC								
Total, 16 years and over	8,669	11,551	8.0	9.5	9.9	9.9	10.1	10.6
Men, 20 years and over	3,811	5,733	6.7	8.7	8.8	8.9	9.0	9.8
Women, 20 years and over	3,317	3,787	7.0	8.1	8.4	8.2	8.3	8.6
Both sexes, 16-19 years	1,801	2,030	20.6	22.3	24.1	24.8	23.7	24.9
Married men, spouse present	1,945	2,135	4.8	6.5	6.6	6.7	7.3	7.6
Married women, spouse present	1,559	2,055	6.1	7.0	7.0	7.1	7.3	7.9
Women who maintain families	568	667	10.6	12.9	12.8	11.6	12.8	11.3
Full-time workers	7,204	9,987	7.7	9.4	9.5	9.6	10.1	10.5
Part-time workers	1,492	1,604	9.5	9.8	11.0	10.3	10.5	10.1
Labor force time lost[1]	--	--	9.1	10.2	10.7	10.7	11.7	12.1
OCCUPATION[2]								
White-collar workers	2,288	2,899	4.1	5.0	4.9	4.8	4.8	5.1
Professional and technical	440	626	2.6	3.3	3.1	3.1	3.2	3.5
Managers and administrators, except farm	330	432	2.8	3.8	3.7	3.8	3.6	3.8
Sales workers	328	427	4.5	5.8	5.8	5.6	5.8	6.1
Clerical workers	1,152	1,416	6.0	6.9	6.9	6.7	6.7	7.1
Blue-collar workers	3,806	5,525	10.9	13.9	13.8	14.2	15.0	15.9
Craft and kindred workers	1,132	1,696	6.3	10.3	10.9	10.6	11.6	10.9
Operatives, except transport	1,533	2,389	12.8	16.7	17.4	17.5	20.2	21.1
Transport equipment operatives	313	486	8.8	13.8	11.6	12.5	11.6	12.7
Nonfarm laborers	836	1,158	15.6	17.9	18.6	17.8	19.2	19.8
Service workers	1,306	1,627	9.3	9.9	10.5	10.6	10.7	10.9
Farm workers	162	152	6.2	7.2	6.1	6.9	5.7	6.6
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,691	9,061	8.1	10.0	10.2	10.1	10.7	11.1
Construction	916	1,216	17.6	19.2	20.3	20.3	22.6	23.9
Manufacturing	1,998	3,138	6.6	12.3	12.0	12.1	13.0	14.1
Durable goods	1,206	2,125	6.6	13.2	12.7	12.9	14.0	16.0
Nondurable goods	786	1,012	6.6	11.0	11.0	10.8	12.3	11.2
Transportation and public utilities	283	472	4.8	6.9	6.5	7.0	6.9	8.1
Wholesale and retail trade	1,691	2,386	8.4	9.7	10.5	9.6	9.8	10.1
Finance and service industries	1,531	1,872	6.2	6.8	7.0	7.0	6.8	7.1
Government workers	766	785	6.7	6.6	6.6	6.6	6.9	6.8
Agricultural wage and salary workers	233	233	12.4	16.3	13.8	14.3	12.5	12.6

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Oct. 1981	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
DURATION								
Less than 5 weeks	3,611	3,886	3,707	3,583	3,990	3,923	4,038	3,933
5 to 14 weeks	2,510	3,292	2,686	3,456	3,161	3,306	3,195	3,517
15 weeks and over	2,995	3,004	2,292	3,673	3,581	3,631	3,878	3,153
15 to 26 weeks	1,743	1,727	1,166	1,826	1,792	1,810	1,956	1,927
27 weeks and over	1,252	2,077	1,126	1,847	1,788	1,821	2,014	2,226
Average (mean) duration, in weeks	11.3	10.9	11.6	14.5	13.6	14.2	14.6	17.2
Median duration, in weeks	6.2	6.8	6.6	9.8	8.3	8.2	9.5	9.6
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	41.6	33.6	42.7	33.2	37.2	36.1	35.1	33.8
5 to 14 weeks	28.6	28.1	30.9	32.4	29.5	30.4	31.3	30.3
15 weeks and over	34.6	34.5	26.6	34.4	33.5	33.4	33.6	35.6
15 to 26 weeks	20.1	15.8	13.4	17.1	16.7	16.7	16.1	16.6
27 weeks and over	14.5	19.0	13.0	17.3	16.7	16.8	17.5	19.2

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Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Oct. 1981	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
NUMBER OF UNEMPLOYED								
Lost last job	3,576	6,120	4,173	6,332	6,177	6,367	7,073	7,477
On layoff	1,198	1,982	1,631	2,071	2,079	2,180	2,469	2,572
Other job losers	2,778	4,578	2,962	4,231	4,098	4,167	4,484	4,905
Left last job	1,037	867	976	853	853	806	767	796
Reentered labor force	2,292	2,357	2,178	2,372	2,328	2,440	2,415	2,217
Seeking first job	911	1,210	1,002	1,088	1,249	1,328	1,326	1,312
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	68.4	58.5	62.4	59.6	57.4	58.1	61.1	63.4
On layoff	14.6	11.7	16.7	19.6	19.3	20.0	23.0	21.8
Other job losers	33.8	41.8	33.7	40.0	38.1	38.3	38.0	41.6
Job leavers	12.6	7.7	11.2	7.7	7.9	7.4	6.5	6.7
Reentrants	27.9	21.5	25.0	22.4	23.5	22.3	20.8	18.8
New entrants	11.1	11.1	11.5	10.3	11.6	12.2	11.4	11.1
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.6	5.9	4.2	5.7	5.6	5.7	6.4	6.8
Job leavers	.9	.8	.9	.7	.7	.7	.7	.7
Reentrants	2.1	2.1	2.0	2.2	2.1	2.2	2.2	2.0
New entrants	.8	1.1	.9	1.0	1.1	1.2	1.2	1.2

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Oct. 1981	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
Total, 16 years and over	8,669	11,151	8.0	9.5	9.8	9.8	10.1	10.4
16 to 24 years	3,855	4,582	15.4	17.1	17.0	18.3	18.2	18.7
16 to 19 years	1,681	2,030	20.4	22.3	24.1	24.0	23.3	24.0
16 to 17 years	757	865	21.5	23.7	26.1	25.8	26.1	25.8
18 to 19 years	1,062	1,195	20.7	21.9	22.8	22.6	21.4	23.5
20 to 24 years	2,054	2,552	12.3	14.4	14.5	15.3	15.1	15.1
25 years and over	4,628	6,979	5.7	7.4	7.5	7.3	7.9	8.1
25 to 54 years	4,253	6,188	6.2	7.7	7.9	7.8	8.4	8.5
55 years and over	574	838	4.8	5.6	5.2	5.1	5.1	5.5
Men, 16 years and over	4,796	6,466	7.7	9.7	9.9	10.0	10.1	10.9
16 to 24 years	2,141	2,647	16.0	18.6	19.0	19.5	20.1	20.3
16 to 19 years	963	1,131	20.1	24.2	25.1	25.1	25.2	25.6
16 to 17 years	408	500	21.1	25.8	28.1	27.3	29.6	28.9
18 to 19 years	527	624	19.3	24.0	23.6	23.6	22.6	23.2
20 to 24 years	1,196	1,516	13.8	15.8	15.9	16.6	17.4	17.5
25 years and over	2,670	4,231	5.5	7.5	7.5	7.5	8.2	8.5
25 to 54 years	2,366	3,727	5.9	8.0	8.1	8.0	9.1	9.1
55 years and over	333	552	3.7	5.0	4.8	5.6	5.8	6.1
Women, 16 years and over	3,871	4,686	8.2	9.1	9.6	9.5	9.9	9.8
16 to 24 years	1,714	1,936	14.6	15.4	16.5	16.9	16.1	17.0
16 to 19 years	854	899	20.7	20.2	23.1	22.8	21.5	22.1
16 to 17 years	349	365	21.9	21.6	24.1	24.2	23.5	22.3
18 to 19 years	505	571	20.6	19.7	22.2	21.7	20.6	22.9
20 to 24 years	860	1,035	11.5	12.5	12.9	13.7	12.9	14.0
25 years and over	2,158	2,748	4.1	5.2	5.6	5.0	5.6	5.3
25 to 54 years	1,909	2,457	4.5	5.4	5.7	5.5	6.0	5.7
55 years and over	241	286	4.6	6.0	6.0	6.6	6.3	6.7

Table A-9. Employment status of black and other workers

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1981	Sept. 1982	Oct. 1982	Oct. 1981	Jan 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
Civilian noninstitutional population[1]	22,296	23,038	23,043	22,296	22,761	22,795	22,935	23,038	23,043
Civilian labor force	13,682	14,200	14,288	13,697	13,947	14,027	14,232	14,282	14,306
Participation rate	61.5	61.6	62.0	61.6	61.3	61.5	61.9	62.0	62.1
Employed	11,631	11,676	11,680	11,611	11,560	11,598	11,738	11,687	11,659
Unemployed	2,051	2,523	2,608	2,086	2,387	2,433	2,494	2,595	2,647
Unemployment rate	15.0	17.8	18.3	15.2	17.1	17.3	17.5	18.2	18.5

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Oct. 1981	Oct. 1982	Oct. 1981	Oct. 1982	Oct. 1981	Oct. 1982	Oct. 1981	Oct. 1982	Oct. 1981	Oct. 1982
VETERANS										
Total, 25 years and over	8,616	8,718	8,176	8,217	7,676	7,511	499	706	6.1	8.6
25 to 29 years	7,314	7,066	7,042	6,787	6,589	6,172	453	615	6.4	9.1
25 to 29 years	1,621	1,127	1,380	1,055	1,198	899	182	156	13.2	14.8
30 to 34 years	3,231	2,812	3,109	2,696	2,936	2,456	175	240	5.6	8.9
35 to 39 years	2,462	3,127	2,593	3,036	2,457	2,819	136	217	5.2	7.1
40 years and over	1,302	1,652	1,134	1,430	1,089	1,339	45	91	4.0	6.4
NONVETERANS										
Total, 25 to 39 years	17,503	18,509	16,597	17,529	15,622	15,913	975	1,616	5.9	9.2
25 to 29 years	7,965	8,253	7,498	7,767	6,952	6,905	546	862	7.3	11.1
30 to 34 years	5,631	6,127	5,385	5,824	5,117	5,362	268	462	5.0	7.9
35 to 39 years	3,907	4,128	3,714	3,938	3,553	3,646	161	292	4.3	7.4

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

Table A-11. Employment status of the noninstitutional population for ten large States

(Numbers in thousands)

State and employment status	Not seasonally adjusted[2]			Seasonally adjusted					
	Oct. 1981	Sept. 1982	Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982	Oct. 1982
California									
Civilian noninstitutional population[1]	18,118	18,424	18,452	18,118	18,347	18,374	18,397	18,424	18,452
Civilian labor force	11,873	12,203	12,274	11,861	12,188	12,203	12,135	12,265	12,271
Employed	10,962	11,025	11,006	10,902	11,031	10,916	10,882	11,027	10,952
Unemployed	911	1,178	1,268	959	1,155	1,287	1,253	1,238	1,319
Unemployment rate	7.7	9.7	10.3	8.1	9.5	10.5	10.3	10.1	10.7
Florida									
Civilian noninstitutional population[1]	7,980	8,248	8,272	7,980	8,178	8,201	8,224	8,248	8,272
Civilian labor force	4,625	4,937	4,989	4,616	4,690	4,769	4,832	4,941	4,972
Employed	4,261	4,531	4,530	4,279	4,339	4,419	4,456	4,570	4,540
Unemployed	364	406	459	337	351	350	374	371	432
Unemployment rate	7.9	8.2	9.2	7.3	7.5	7.3	7.7	7.5	8.7
Illinois									
Civilian noninstitutional population[1]	8,518	8,564	8,568	8,518	8,554	8,558	8,560	8,564	8,568
Civilian labor force	5,634	5,661	5,566	5,586	5,638	5,671	5,665	5,664	5,529
Employed	5,172	4,958	4,899	5,113	5,003	4,975	4,997	4,958	4,849
Unemployed	462	683	667	473	635	696	668	706	680
Unemployment rate	8.2	12.1	12.0	8.5	11.3	12.3	11.8	12.5	12.3
Massachusetts									
Civilian noninstitutional population[1]	4,453	4,501	4,506	4,453	4,490	4,494	4,497	4,501	4,506
Civilian labor force	3,032	3,064	3,043	3,029	3,016	3,066	3,078	3,083	3,027
Employed	2,828	2,838	2,823	2,806	2,751	2,775	2,853	2,860	2,793
Unemployed	205	226	220	223	265	291	225	223	234
Unemployment rate	6.7	7.4	7.2	7.4	8.8	9.5	7.3	7.2	7.7
Michigan									
Civilian noninstitutional population[1]	6,776	6,784	6,785	6,776	6,784	6,784	6,784	6,784	6,785
Civilian labor force	4,344	4,307	4,279	4,331	4,268	4,333	4,349	4,311	4,259
Employed	3,840	3,682	3,642	3,780	3,655	3,709	3,687	3,627	3,573
Unemployed	504	624	637	551	613	624	662	684	686
Unemployment rate	11.6	14.5	14.9	12.7	14.4	14.4	15.2	15.9	16.1
New Jersey									
Civilian noninstitutional population[1]	5,655	5,712	5,717	5,655	5,699	5,703	5,707	5,712	5,717
Civilian labor force	3,582	3,596	3,636	3,568	3,619	3,628	3,636	3,648	3,631
Employed	3,352	3,288	3,336	3,313	3,323	3,339	3,301	3,311	3,299
Unemployed	230	308	300	255	296	289	335	337	332
Unemployment rate	6.4	8.6	8.3	7.1	8.2	8.0	9.2	9.2	9.1
New York									
Civilian noninstitutional population[1]	13,426	13,516	13,525	13,426	13,497	13,504	13,509	13,516	13,525
Civilian labor force	7,936	7,901	7,947	8,004	8,081	8,040	8,046	8,009	8,022
Employed	7,402	7,234	7,231	7,436	7,371	7,381	7,362	7,323	7,265
Unemployed	534	667	716	568	710	659	684	686	757
Unemployment rate	6.7	8.4	9.0	7.1	8.8	8.2	8.5	8.6	9.4
Ohio									
Civilian noninstitutional population[1]	8,017	8,039	8,041	8,017	8,036	8,038	8,038	8,039	8,041
Civilian labor force	5,086	5,122	5,163	5,044	5,201	5,128	5,137	5,078	5,127
Employed	4,580	4,492	4,482	4,510	4,563	4,522	4,484	4,442	4,420
Unemployed	504	629	681	534	638	606	653	636	707
Unemployment rate	9.9	12.3	13.2	10.6	12.3	11.8	12.7	12.5	13.8
Pennsylvania									
Civilian noninstitutional population[1]	9,108	9,152	9,156	9,108	9,144	9,147	9,149	9,152	9,156
Civilian labor force	5,526	5,493	5,539	5,479	5,396	5,492	5,542	5,511	5,491
Employed	5,051	4,892	4,919	5,000	4,870	4,898	4,959	4,889	4,861
Unemployed	475	601	620	479	526	594	583	622	630
Unemployment rate	8.6	10.9	11.2	8.7	9.7	10.8	10.5	11.3	11.5
Texas									
Civilian noninstitutional population[1]	10,648	10,946	10,973	10,648	10,869	10,895	10,920	10,946	10,973
Civilian labor force	7,147	7,311	7,321	7,133	7,336	7,313	7,356	7,314	7,321
Employed	6,814	6,724	6,766	6,759	6,824	6,803	6,867	6,703	6,710
Unemployed	332	587	555	374	514	510	491	611	611
Unemployment rate	4.7	8.0	7.6	5.2	7.0	7.0	6.7	8.4	8.3

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

[2] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

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Table B-1. Employees on nonagricultural payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982 p	Oct. 1982 p
Total	91,884	89,057	89,846	89,582	91,224	89,839	89,535	89,312	89,188	88,925
Goods-producing	25,807	24,003	23,996	23,678	25,393	23,994	23,840	23,657	23,535	23,279
Mining	1,196	1,108	1,083	1,065	1,195	1,128	1,100	1,086	1,078	1,064
Construction	4,380	4,168	4,110	4,095	4,101	3,980	3,927	3,899	3,881	3,867
Manufacturing	20,271	18,735	18,803	18,518	20,097	18,930	18,813	18,672	18,580	18,348
Production workers	14,079	12,674	12,788	12,538	13,915	12,852	12,760	12,647	12,576	12,382
Durable goods	12,184	10,936	10,987	10,788	12,059	11,203	11,133	10,993	10,906	10,705
Production workers	8,297	7,198	7,273	7,104	8,218	7,483	7,388	7,272	7,201	7,031
Lumber and wood products	654.5	632.9	633.7	625.1	643	615	618	618	615	613
Furniture and fixtures	473.9	439.2	444.1	441.2	469	442	439	443	442	436
Stone, clay, and glass products	639.8	585.6	585.6	577.6	629	580	579	574	573	568
Primary metal products	1,102.2	887.5	876.1	842.1	1,104	926	906	889	871	843
Fabricated metal products	1,591.8	1,418.9	1,425.5	1,399.4	1,577	1,452	1,446	1,427	1,414	1,386
Machinery, except electrical	2,525.1	2,237.7	2,205.4	2,132.4	2,532	2,322	2,274	2,230	2,208	2,117
Electric and electronic equipment	2,113.3	1,990.6	1,999.7	1,986.7	2,101	2,026	2,018	2,011	1,994	1,973
Transportation equipment	1,888.9	1,674.1	1,725.6	1,701.3	1,861	1,745	1,759	1,719	1,707	1,675
Instruments and related products	729.6	703.0	699.5	693.9	731	708	708	702	700	695
Miscellaneous manufacturing	425.0	388.3	392.0	390.6	412	387	390	384	382	379
Nondurable goods	8,127	7,799	7,816	7,730	8,038	7,727	7,680	7,679	7,674	7,643
Production workers	5,782	5,476	5,511	5,434	5,697	5,409	5,372	5,375	5,375	5,351
Food and kindred products	1,719.4	1,727.3	1,735.7	1,690.7	1,662	1,637	1,643	1,628	1,631	1,635
Tobacco manufactures	75.0	68.2	68.4	68.4	69	67	65	65	63	63
Textile mill products	816.4	737.4	739.7	730.2	818	741	741	737	735	736
Apparel and other textile products	1,257.9	1,151.6	1,161.1	1,154.8	1,243	1,161	1,126	1,145	1,144	1,140
Paper and allied products	686.4	657.7	658.7	649.4	665	658	657	653	657	648
Printing and publishing	1,274.5	1,264.8	1,264.7	1,263.8	1,276	1,269	1,267	1,269	1,269	1,265
Chemicals and allied products	1,104.4	1,074.6	1,066.2	1,057.7	1,107	1,073	1,068	1,070	1,066	1,063
Petroleum and coal products	216.8	209.4	211.2	210.8	215	205	205	205	209	209
Rubber and misc. plastics products	740.0	696.7	701.0	690.0	738	704	700	699	698	684
Leather and leather products	235.8	211.6	209.1	206.0	233	212	208	208	206	201
Service-producing	66,077	65,054	65,850	65,904	65,831	65,845	65,695	65,655	65,653	65,646
Transportation and public utilities	5,208	5,035	5,077	5,067	5,162	5,078	5,044	5,025	5,032	5,022
Wholesale and retail trade	20,731	20,566	20,561	20,520	20,654	20,595	20,615	20,550	20,480	20,438
Wholesale trade	5,400	5,294	5,271	5,270	5,380	5,307	5,299	5,278	5,266	5,249
Retail trade	15,331	15,272	15,290	15,250	15,274	15,288	15,316	15,272	15,214	15,189
Finance, insurance, and real estate	5,318	5,414	5,370	5,351	5,325	5,352	5,359	5,360	5,370	5,362
Services	18,824	19,162	19,118	19,164	18,773	18,988	19,042	19,048	19,076	19,107
Government	16,000	14,877	15,328	15,802	15,917	15,832	15,635	15,672	15,695	15,717
Federal government	2,737	2,772	2,704	2,704	2,757	2,739	2,737	2,739	2,734	2,723
State and local government	13,263	12,105	12,624	13,098	13,160	13,093	12,898	12,933	12,961	12,994

p = preliminary.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982 p	Oct. 1982 p
Total private	35.2	35.2	34.8	34.8	35.1	34.9	34.9	34.8	34.8	34.7
Mining	44.5	42.8	41.7	41.9	(2)	(2)	(2)	(2)	(2)	(2)
Construction	37.6	37.6	36.9	37.0	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	39.7	39.0	38.9	38.8	39.5	39.2	39.2	39.0	38.7	38.7
Overtime hours	2.8	2.4	2.5	2.3	2.7	2.8	2.8	2.4	2.3	2.2
Durable goods	40.1	39.2	39.0	39.1	40.0	39.7	39.7	39.4	38.9	38.9
Overtime hours	2.7	2.2	2.1	2.0	2.6	2.3	2.2	2.2	2.0	1.9
Lumber and wood products	38.2	38.8	38.6	38.3	37.8	38.7	38.6	38.2	38.3	37.9
Furniture and fixtures	38.6	38.1	37.8	38.3	38.0	37.8	37.6	37.9	37.5	37.7
Stone, clay, and glass products	40.5	40.6	40.8	40.6	40.1	40.8	40.6	40.3	40.1	40.2
Primary metal products	39.7	38.3	38.1	37.8	40.0	38.9	38.9	38.8	37.9	37.6
Fabricated metal products	40.2	39.1	38.9	39.0	40.0	39.4	39.5	39.2	38.8	38.8
Machinery, except electrical	40.7	39.1	39.0	39.0	40.0	39.6	39.8	39.5	38.9	39.1
Electric and electronic equipment	39.9	39.1	38.8	39.0	39.8	39.5	39.8	39.3	38.8	38.9
Transportation equipment	41.0	40.0	39.5	40.1	40.6	41.6	41.0	40.5	39.8	39.7
Instruments and related products	40.4	39.9	39.7	39.4	40.3	40.2	40.1	40.1	39.7	39.3
Miscellaneous manufacturing	39.3	38.6	38.4	38.7	38.9	38.6	38.7	38.6	38.1	38.3
Nondurable goods	39.1	38.7	38.7	38.6	38.9	38.6	38.6	38.5	38.5	38.4
Overtime hours	2.9	2.7	2.9	2.7	2.8	2.5	2.6	2.6	2.4	2.6
Food and kindred products	39.5	39.6	39.9	39.5	39.5	39.5	39.5	39.1	39.4	39.5
Tobacco manufactures	39.4	38.1	39.7	39.7	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	39.4	38.3	38.2	38.5	39.0	37.8	37.7	38.2	38.1	38.0
Apparel and other textile products	35.8	35.4	35.1	35.2	35.5	35.1	35.2	35.0	35.2	34.9
Paper and allied products	42.4	41.6	41.7	41.4	42.4	42.0	41.9	41.7	41.5	41.4
Printing and publishing	37.2	37.1	37.1	37.0	37.1	37.1	37.0	36.8	36.9	36.9
Chemicals and allied products	41.5	40.7	41.2	40.8	41.5	41.0	40.9	40.9	41.2	40.8
Petroleum and coal products	43.1	44.0	44.8	44.4	42.2	44.1	43.3	43.9	43.4	43.5
Rubber and misc. plastics products	40.2	39.7	39.6	39.4	39.9	40.1	40.2	39.7	39.6	39.1
Leather and leather products	36.7	36.2	35.5	36.9	36.7	35.7	36.1	36.0	35.7	36.8
Transportation and public utilities	39.1	39.3	38.9	38.8	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale and retail trade	32.0	32.6	32.1	32.1	32.0	31.9	31.9	31.9	32.1	32.1
Wholesale trade	38.6	38.6	38.6	38.5	38.6	38.6	38.5	38.5	38.6	38.3
Retail trade	29.8	30.7	30.2	30.1	29.9	29.8	29.9	29.9	30.1	30.2
Finance, insurance, and real estate	36.2	36.3	36.0	36.1	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.5	33.0	32.7	32.6	32.6	32.7	32.6	32.6	32.8	32.7

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonagricultural payrolls.

[2] This series is not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p
Total private	$7.42	$7.70	$7.76	$7.78	$261.18	$271.04	$270.05	$270.78
Seasonally adjusted	7.40	7.74	7.72	7.75	259.74	269.35	268.66	268.93
Mining	10.25	10.93	11.06	10.97	456.13	463.83	461.20	459.68
Construction	11.16	11.60	11.70	11.80	419.62	436.16	431.73	436.60
Manufacturing	8.16	8.51	8.59	8.56	323.95	331.89	334.15	332.13
Durable goods	8.73	9.09	9.16	9.13	350.07	356.33	357.24	356.98
Lumber and wood products	7.10	7.61	7.66	7.56	271.22	295.27	295.68	289.55
Furniture and fixtures	6.06	6.39	6.40	6.42	233.92	243.46	241.92	245.89
Stone, clay, and glass products	8.50	8.93	9.01	8.97	348.25	362.56	368.00	368.16
Primary metal products	10.97	11.49	11.55	11.44	435.51	440.07	440.06	427.86
Fabricated metal products	8.39	8.85	8.90	8.88	337.28	346.04	346.21	346.32
Machinery, except electrical	9.04	9.33	9.39	9.34	367.93	368.80	366.21	364.26
Electric and electronic equipment	7.80	8.28	8.32	8.36	311.22	322.18	322.82	326.04
Transportation equipment	10.74	11.18	11.26	11.29	440.34	447.20	443.98	452.73
Instruments and related products	7.60	8.40	8.44	8.44	307.04	335.16	335.07	332.58
Miscellaneous manufacturing	6.05	6.39	6.48	6.51	237.77	246.65	248.83	251.94
Nondurable goods	7.33	7.78	7.84	7.82	286.60	299.58	303.41	301.85
Food and kindred products	7.51	7.85	7.90	7.87	296.65	310.86	315.21	310.87
Tobacco manufactures	8.67	9.53	9.57	9.64	341.60	363.09	379.93	382.71
Textile mill products	5.72	5.82	5.86	5.86	225.37	222.91	223.85	225.61
Apparel and other textile products	5.05	5.18	5.20	5.20	180.79	183.37	182.52	183.04
Paper and allied products	8.82	9.45	9.63	9.55	373.97	393.12	401.57	395.37
Printing and publishing	8.40	8.79	8.89	8.86	312.48	326.11	329.82	327.82
Chemicals and allied products	9.37	10.03	10.21	10.26	388.86	408.22	420.65	418.61
Petroleum and coal products	11.47	12.42	12.62	12.55	498.36	546.48	565.38	557.22
Rubber and misc. plastics products	7.30	7.68	7.76	7.74	293.46	303.31	307.30	304.96
Leather and leather products	5.09	5.33	5.40	5.41	186.80	192.95	191.70	188.81
Transportation and public utilities	9.94	10.43	10.46	10.48	388.65	409.90	406.12	406.62
Wholesale and retail trade	6.01	6.22	6.26	6.27	192.32	202.77	200.95	201.27
Wholesale trade	7.73	8.11	8.15	8.16	298.38	313.05	312.96	314.16
Retail trade	5.29	5.48	5.52	5.52	157.64	168.28	166.70	166.15
Finance, insurance, and real estate	6.43	6.87	6.90	6.93	232.77	249.38	248.40	250.17
Services	6.58	6.90	6.99	7.03	213.85	227.70	228.57	229.18

[1] See footnote 1, table B-2.

p = preliminary

ESTABLISHMENT DATA

Table B-4. Hourly Earnings Index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted					Seasonally adjusted						
	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Percent change from: Oct. 1981–Oct. 1982	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Percent change from: Sept. 1982–Oct. 1982
Total private nonfarm:												
Current dollars	142.0	149.3	150.4	150.7	6.1	142.0	148.1	148.9	149.9	150.0	150.6	0.4
Constant (1977) dollars	92.2	92.7	93.2	N.A.	(2)	92.1	93.1	93.0	93.2	93.2	N.A.	(3)
Mining	151.4	161.5	163.2	161.9	6.9	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Construction	136.3	141.6	142.7	143.7	5.4	134.7	139.7	140.6	140.7	140.6	142.0	1.0
Manufacturing	145.4	153.6	154.7	154.8	6.4	145.4	152.5	153.3	154.2	154.7	154.7	(5)
Transportation and public utilities	143.0	150.3	151.1	151.8	6.2	142.3	149.1	148.9	150.3	149.6	151.1	1.0
Wholesale and retail trade	140.0	145.9	146.7	146.8	4.9	140.5	145.2	145.7	146.5	146.7	147.3	.4
Finance, insurance, and real estate	140.7	150.1	150.6	151.3	7.5	141.4	147.2	148.6	150.6	151.2	152.0	.6
Services	140.6	148.3	149.6	150.0	6.7	140.9	147.3	148.7	149.7	149.6	150.1	.4

1 See footnote 1, table B-2.
2 Percent change was 1.2 from September 1981 to September 1982, the latest month available.
3 Percent change was -.1 from August 1982 to September 1982, the latest month available.
4 Mining is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.
5 Percent change is less than .05 percent.
N.A. = not available.
p = preliminary.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1981	Aug. 1982	Sept. 1982 p	Oct. 1982 p	Oct. 1981	June 1982	July 1982	Aug. 1982	Sept. 1982 p	Oct. 1982 p
Total private	109.0	106.1	105.0	108.2	107.7	104.9	105.8	104.1	103.8	103.2
Goods-producing	102.6	91.8	91.5	90.0	99.7	91.9	91.8	90.0	88.7	87.2
Mining	146.2	123.7	120.0	118.0	143.9	128.2	125.1	121.4	117.9	116.2
Construction	116.1	110.7	106.9	106.8	106.1	101.0	101.9	100.5	98.2	97.3
Manufacturing	97.9	86.6	87.1	85.4	96.8	88.4	87.8	86.5	85.4	83.9
Durable goods	97.6	82.8	83.2	81.5	96.4	86.7	86.1	84.1	82.2	80.2
Lumber and wood products	84.3	82.6	82.2	80.2	81.8	79.8	79.4	78.7	78.9	77.8
Furniture and fixtures	98.6	88.6	89.0	89.7	95.9	88.5	87.3	89.0	87.8	87.0
Stone, clay, and glass products	91.0	82.2	82.1	81.1	88.2	80.8	80.8	79.7	79.3	78.6
Primary metal products	87.8	65.9	68.7	60.8	88.6	70.1	68.8	67.0	64.0	61.3
Fabricated metal products	95.7	81.2	81.5	80.1	94.2	84.0	83.9	82.0	80.5	78.6
Machinery, except electrical	109.7	86.2	86.5	82.7	110.4	94.4	92.1	88.9	86.3	83.0
Electric and electronic equipment	105.9	96.2	96.0	93.8	104.9	97.7	97.5	95.8	93.6	92.8
Transportation equipment	90.3	74.6	77.3	76.6	87.6	82.6	83.1	79.4	77.1	74.3
Instruments and related products	113.1	105.0	103.7	101.6	113.0	107.2	106.7	105.6	103.8	101.5
Miscellaneous manufacturing	95.6	83.7	84.4	84.8	91.1	83.6	84.1	82.4	81.0	80.8
Nondurable goods	98.4	92.2	93.0	91.3	96.5	91.0	90.3	90.0	90.2	89.4
Food and kindred products	102.0	102.9	104.7	100.0	97.2	95.4	96.1	93.9	95.0	95.3
Tobacco manufactures	108.9	95.5	99.6	99.1	96.1	91.6	89.8	90.7	88.1	87.6
Textile mill products	87.0	75.6	75.8	76.3	85.8	78.8	78.7	75.2	75.2	75.1
Apparel and other textile products	95.6	85.7	85.9	85.5	93.3	85.8	83.2	84.3	84.7	83.6
Paper and allied products	98.5	91.8	92.7	90.4	98.3	92.5	92.2	91.4	91.7	90.2
Printing and publishing	106.8	105.0	105.5	105.0	106.8	105.9	105.3	104.9	105.1	104.9
Chemicals and allied products	100.6	98.3	98.9	93.2	100.9	98.9	98.0	98.3	98.4	93.5
Petroleum and coal products	103.4	98.8	101.9	101.7	100.1	95.9	98.2	95.5	96.7	98.5
Rubber and misc. plastics products	100.8	92.5	93.1	91.1	99.0	94.9	95.0	93.6	92.5	89.8
Leather and leather products	81.5	79.6	77.1	78.6	80.1	78.4	77.0	78.1	76.2	72.9
Service-producing	112.5	113.9	112.5	112.1	112.1	112.1	112.2	111.8	112.2	112.0
Transportation and public utilities	105.5	102.0	102.1	101.5	104.2	102.2	101.5	101.2	101.0	100.6
Wholesale and retail trade	106.8	107.7	106.1	105.8	106.2	105.8	106.1	105.5	105.6	105.5
Wholesale trade	112.8	109.6	108.6	108.7	111.6	110.0	109.6	109.0	108.5	107.8
Retail trade	104.5	106.9	105.2	104.6	104.1	104.2	104.7	104.2	104.4	104.6
Finance, insurance, and real estate	117.4	119.1	117.0	116.7	117.6	117.8	117.4	117.2	117.2	116.9
Services	120.6	124.3	122.5	122.3	120.4	121.9	121.8	121.8	122.9	122.5

[1] See footnote 1, table B-2.

p = preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1979				
January	64.2	68.5	72.3	73.7
February	61.6	68.3	71.0	70.4
March	65.6	65.1	68.8	69.1
April	51.6	65.9	63.7	65.6
May	61.8	62.1	59.4	59.7
June	62.4	63.4	53.5	57.3
July	56.3	53.2	58.1	57.5
August	53.5	48.4	49.2	55.9
September	48.9	53.8	49.7	52.2
October	61.8	51.6	51.6	46.0
November	50.3	54.0	51.6	39.8
December	51.1	51.1	47.6	35.5
1980				
January	53.8	50.0	39.8	30.9
February	48.9	47.0	34.1	32.3
March	49.2	35.2	29.3	32.8
April	29.0	28.8	23.1	33.9
May	32.8	23.1	26.6	31.7
June	29.6	28.2	28.8	32.3
July	35.2	34.1	35.8	31.7
August	64.0	51.6	44.1	33.9
September	61.0	69.1	59.1	33.9
October	62.6	67.2	71.2	39.5
November	59.4	64.2	64.0	50.8
December	54.6	58.9	61.0	62.6
1981				
January	56.7	53.5	64.8	73.9
February	48.7	52.2	65.9	71.0
March	51.1	60.2	67.2	70.4
April	68.3	70.2	67.7	62.1
May	65.3	70.4	67.2	50.0
June	54.0	65.9	67.5	43.3
July	59.9	59.4	51.3	35.2
August	50.3	57.0	39.0	33.6
September	50.3	40.1	33.9	31.5
October	34.7	30.6	30.1	27.2
November	28.2	26.3	27.7	27.7
December	31.2	23.4	24.2	25.8
1982				
January	32.5	28.0	21.8	23.1
February	42.5	31.2	27.4	23.1
March	35.8	33.6	27.4	21.5p
April	40.9	37.1	29.8	19.6p
May	51.1	35.8	28.8	
June	32.0	35.8	30.9p	
July	43.5	27.7	27.7p	
August	37.6	32.5p		
September	43.0p	29.3p		
October	28.3p			
November				
December				

[1] Number of employees, seasonally adjusted for 1, 3, and 6 month spans, on payrolls of 186 private nonagricultural industries.
p = preliminary.

NOTE: Figures are the percent of industries with employment rising. (Half of the unchanged components are counted as rising.) Data are centered within the spans.

Representative REUSS. Thank you, Commissioner.

Directing your attention to that chart, with the exception of a 1-month improvement from January to February 1982, ever since July 1981, 15 months ago, when President Reagan's budget and tax program were enacted into law, the results have been unmitigatedly awful, have they not? Unemployment has gone up constantly.

Ms. NORWOOD. Since the prerecession peak, or in the case of unemployment, the low, in July 1981, the unemployment rate has increased from 7.22 percent in July 1981 to 10.4 percent in October 1982.

Representative REUSS. I recall last February, right after the modest fraction of a percentage point improvement in unemployment, the Secretary of the Treasury predicted that the economy would come roaring back. Actually it has been roaring downward, has it not, since February?

Ms. NORWOOD. The employment and unemployment situation has deteriorated.

Representative REUSS. We are concerned, of course, not only with the sad past—that's the prologue—but what's going to happen now. Do you see in the overall unemployment statistics which you bring us this morning any hopeful signs? The main message is one of a very sad increase in unemployment, more than three-tenths of a percentage point in 1 month. That translates to something like 300,000 or 400,000 American men and women without jobs as a result of what happened in 1 month?

Ms. NORWOOD. Yes; there was an over-the-month increase in unemployment of about 300,000, Mr. Chairman.

Representative REUSS. Is there any ray of hope in all those statistics you bring us—that you can see as a statistician?

Ms. NORWOOD. As I have indicated, I believe that the set of data that we released today for the month of October show considerable deterioration, particularly in the durable goods manufacturing sector. It is true, of course, that some of these reductions in employment will probably be translated into lower labor costs and, perhaps, increased productivity and, therefore, perhaps improved profit pictures of companies. But that is the classic kind of reaction that occurs with a recession.

Representative REUSS. If I could interrupt you there, and I'm not in any way critical of what you said. A great way to get labor costs down, I suppose, is to see that everybody is unemployed. Then labor costs are zero. Isn't that about what you are saying?

Ms. NORWOOD. No; I was merely commenting on a description of what I think is going on. Manufacturers are clearly continuing to reduce their labor forces. The concentration of this reduction and unemployment is occurring in the durable manufacturing sector which has traditionally been the employer of mature workers, most of them males. I think the data that we released today demonstrates that this group, as well as some others who always have a harder time in the labor force, have been very much affected by this recession.

Representative REUSS. I, too, have searched the figures trying to find some ray of hope but have not had any success. Normally when things are getting better—even though 1 month's unemployment figures may

be awful—if hours worked per week increase or if overtime hours increase, you can say, well, that's a little ray of hope. Maybe things are turning around. But am I not right? Is it not a fact that in October manufacturing hours, 38.7 hours per week, did not improve and overtime hours actually got worse?

Ms. NORWOOD. Yes, sir; that's absolutely right. And, of course, we must remember that hours of work in manufacturing declined last month. So that we have a situation, particularly in the durable manufacturing sector, where employment is down, and hours of work are down. The service-producing sector is relatively, I suppose the word might be "weak." Retail trade is not expanding and, therefore, there have been some reductions in the retail trade sector. The services industry itself has had an increase in employment. But I think that the set of data we have today would focus attention on the manufacturing sector.

Representative REUSS. So you regretfully have to agree that one gets gloom, not cheer, out of the hours worked.

Let's turn to another level. Sometimes unemployment is bad because in a certain number of areas of the economy it's very bad, but it's getting better in a lot of other areas. In that, there is reason to have a little hope. Is it not a fact, however, that today's figures, far from seeing growth, see employment levels declining in a great number of key industries: 201,000 losses in durable goods jobs; 31,000 losses in nondurable goods; even 25,000 losses in retail trade. And isn't it further a fact that 72 percent of all the industries in our categories were either declining sharply or at least stagnating in October? That's the figure I get, 72 percent. Is that right?

Ms. NORWOOD. Yes, sir. The situation shows a clearly deteriorating labor market.

Representative REUSS. A third ray of hope sometimes seized upon by optimists like myself when things are bad is the number of claims for unemployment insurance. Sometimes it is darkest just before the dawn and even though unemployment is bad, unemployment compensation claims fall off markedly. But is it not a fact that in October unemployment compensation claims were at record heights? That, in the week ending October 2, there were 690,000 human beings making new unemployment claims; in the week ending October 9, it was 684,000 such people; in the week ending October 16, it was 687,000 such people; and in the week ending October 23—that's the last we have—668,000 people. Are those figures not accurate?

Ms. NORWOOD. 677,000.

Representative REUSS. That was the last week?

Ms. NORWOOD. Yes.

Representative REUSS. For the week ending October 23, 677,000?

Ms. NORWOOD. Yes, sir.

Representative REUSS. In other words, it's even worse than I had thought.

Ms. NORWOOD. I would expect that the unemployment insurance claims figures would be going up because unemployment is rising.

Representative REUSS. True. It could be due to new entrants in the labor force that were not eligible for unemployment compensation. Wives, for instance, with young children made desperate and forced on the labor market by the fact that there is no food for the young

children. That would not show up in unemployment compensation claims, would it?

Ms. NORWOOD. Well, depending upon whether they had had prior work.

Representative REUSS. I'm taking a case of a mother who has been busy having children, and has not been able to work, and doesn't want to work but is now out looking for it because the family needs bread on the table. In a case like that—and there are such, and I know of them—that wouldn't show up in new unemployment compensation figures, would it?

Ms. NORWOOD. That's right, it would not.

May I say, Mr. Chairman, as you know we had a decline in the labor force for the month of October and the groups that were affected were people who generally had been employed and were experienced workers. It is also true, as you and I have discussed many times, that women are to a very large extent remaining in the labor force even when they have children.

You probably noticed that I have focused a good deal of attention, both in my statement and in my comments, on the unemployment situation for adult men and also the group that is over 25 years of age, because I think that that group, together with the employment decline in the durable manufacturing sector and the decline in the labor force, shows clearly that that's where, in the month of October at least, the greatest deterioration occurred.

Representative REUSS. Well, it is an unbelievably sad picture, and I hope that one good that can come out of this morning's honest presentation is that the sleeping beauties of this administration will wake up and, just as Rip Van Winkle awakened, will tend to their business, and that an era of cooperation rather than one of confrontation is one that lies ahead. Congressman Mitchell.

Representative MITCHELL. Thank you, Mr. Chairman.

Some in the administration argue wrongly that the pain of unemployment is not so bad because people do draw unemployment compensation benefits. How many workers have exhausted the benefits available to them under the regular unemployment compensation program and the extended benefits program?

Ms. NORWOOD. Those data have a considerable timelag since they are an output of an administrative data base of the unemployment insurance system. For the month of August, which are the latest data that we have, there were roughly 360,000 who had exhausted their regular unemployment insurance claims, and then there were 120,000 who had exhausted extended benefit claims. There are, of course, the additional extended benefits which were voted by the Congress more recently. The data that we have received from the people that are responsible for the administration of this system would indicate that about 790,000 people were getting the new Federal extended benefits in the week of October 16, the survey week.

Representative MITCHELL. Is it true the new extended benefits run for 13 weeks?

Mr. PLEWES. It varied by State. The maximum was 10 weeks, and then in some States, other persons were eligible to come back for an additional 6 or 8 weeks by that legislation.

Representative MITCHELL. Then it is clear to me that if this trend in unemployment persists, and it will unless some key people change their minds, those new extended benefits will be exhausted shortly after the first of the year, won't they?

Mr. PLEWES. That's a possibility, sir.

Representative MITCHELL. Then the administration's spokesperson is not telling the whole truth when he said that the pain of unemployment is cushioned by unemployment compensation benefits.

What happens in those States that can only pay 6 weeks of supplemental benefits? My Lord. I guess in those States people have exhausted their new supplementals, haven't they?

Ms. NORWOOD. In some cases that isn't true.

Representative MITCHELL. In some States there is nothing left for people who are unemployed because of a demonic national policy; I suppose nothing is left to them but public assistance.

I'm curious. The data that you gave us this morning shows that the white male unemployment rate was 8.8 percent; the black male unemployment rate is 19.8 percent. Double. How do you account for this unusually large gap? What is the explanation for this?

Ms. NORWOOD. As you know, Congressman Mitchell, the unemployment rate for blacks has been for a very long time at least double the rate for whites. The black population of the country, which represents roughly 10 percent of the population, have 20 percent of the unemployment and an even more disproportionate share of discouraged workers and those working part time for economic reasons. The employment situation for the black population of the country has been a serious problem for a long time. It did not change very much this month. But, really, since the recession of 1980, the rates have been hovering at very high levels.

Representative MITCHELL. I realize it is a problem of long duration. Since the end of World War II, the black rate of unemployment has remained twice as high as the white rate. But I would insist that these insidious policies being pursued by the administration exacerbate the black rate of unemployment. We have seen the gap before, but never has it been this big, and I must confess I think this is almost totally due to the fact that policies of the administration heighten and exacerbate the problem.

Do I have time for another question, Mr. Chairman?

Representative REUSS. Surely.

Representative MITCHELL. Like you I am searching for some glimmer of hope. Maybe in some of the deep, dark recesses of the White House there is somebody who is compassionate, caring, and sympathetic. Maybe they are coming up with some kind of ideas, but I desperately need some sign of encouragement.

In your testimony this morning you point out that 28.5 percent of the industries surveyed added new employees. I am reaching for that as a sign of hope. In what sectors did this addition take place? In what parts of the country is growth taking place and in what industries?

Ms. NORWOOD. This is the BLS diffusion index which showed that in October 28.5 percent of the 186 private, nonagricultural industries had some employment increases. Some of those were in the services

industries. There were some in manufacturing, of course. But many of them were in the services industries.

Representative MITCHELL. Well, that is not even half of a candle of hope. We are approaching the Christmas season, and I am going to be very, very cautious since I live in an urban area. The pressure has increased. The propaganda will be out there, the advertising. "Have yourself a merry Christmas. Get this for your children. Get that for your children." People aren't going to be able to get it.

So I suspect we will see a rash of crimes, a significant increase. In many places crime has already increased significantly with the rise in unemployment. But in my community, because of the policies that that man is pursuing, I expect to see an enormous increase in crime during the holiday season. I'm telling you that just in case I do not return for your November figures.

Merry Christmas to you.

Thank you, Mr. Chairman.

Representative REUSS. So far, Commissioner Norwood, we have concentrated on those who are totally unemployed. The figures are disastrous. Let's look at what is called involuntary part-time unemployment. I ask you to turn with me to your household data, table A–3 in the invaluable annexes to your testimony. In there I see something that frightens me and yet corresponds to what I have observed in the last few days.

If you look at persons at work, nonagricultural industries, part time for economic reasons—that means people engaged in something other than farming who would like to work a full 40-hour week, but the boss says, sorry, I really perhaps should fire you completely, but we can give you a few hours. And the person takes that. That's what we are talking about—a year ago, in October 1981, 4,600,000 Americans were in that category. Today in October 1982, just a year later, more than 6 million people are in that category. That is something like a 33⅓ percent increase in 1 year in just the number of people who against their will are on short time. Are my figures right on that?

Ms. NORWOOD. Yes, sir.

Representative REUSS. In the last few days I've stood outside a number of plant gates and stood outside a number of unemployment compensation claim lines. I also stood outside a number of polling places. I've had a chance to talk with a great number of people. Your figures certainly confirm the rough-hewn impression I've gotten that there are an awful lot of people who are industrious people who want to work hard and want to work a full week but who have to manage on 8 hours or 13 hours or whatever they can get. I can assure you that their mental outlook about an America that deals this out to them is almost as sad as those who are totally without work.

Let me turn to another group.

I have reason to believe that increasingly a number of people in our society who have grown so hopeless after months and months of trudging around trying to find nonexisting want ads and exhausting all their resources have, when the opinion taker for the Department of Labor called in October, said, "Well, we don't belong in the work force. Don't count us among the unemployed." These are the so-called discouraged workers.

Can you give us some information on that? Because my impression there, based on nonscientific samples, is that there are a lot of those

poor people around too who are so hopeless, having long since lost their jobs, having long since lost the pittance of a few hours a week, and having tried every method they know of to get a job, including asking their Congressmen—and I feel so bad about this, inadequate as I am in helping people nowadays—who are at their wit's end and who say to your people when they call, "Sorry, I'm not a member of the work force. Don't count me in."

In other words, how much worse is the real situation than even your horrible 10.4 percent unemployment statistics indicate?

Ms. NORWOOD. Well, Mr. Chairman, as you know, we do calculate and publish unemployment rates in various ways. On table A–4, which includes our unemployment measures U–1 through U–7, the monthly rates go through U–6, and they range from 3.8 percent for persons unemployed 15 weeks or longer to 13.7 percent for the rate which includes the part-time workers about whom we talked before.

Discouraged workers are those who are not looking for work because they believe that no job is available for them. They are not included in the unemployment rate. The samples are relatively small, and for that reason those data are published on a quarterly basis.

For the third quarter of this year the number of discouraged workers was 1.6 million. The unemployment rate, labeled U–7, includes both the part-time workers for economic reasons and the discouraged workers, and that rate for the third quarter—that is, of course, before the month of October—was 14.1 percent.

Representative REUSS. Congressman Mitchell.

Representative MITCHELL. I want to make sure I'm straight. The 1.6 million people are those not working at all. That does not include part-time, 8-hour-a-week work.

Ms. NORWOOD. That's right, sir. And that has increased from about a million in the second quarter of 1981.

Representative MITCHELL. And when we count in the part-time workers—what was that figure?

Ms. NORWOOD. It is 6.6 million.

Representative MITCHELL. So we are talking about another 2.2 million people who are either out of the work force because of discouragement of drawing some kind of pittance.

Ms. NORWOOD. Well, 6.6 million plus 1.6 million.

Representative MITCHELL. Oh, my God! It's much, much worse.

Mr. Chairman, I think I had better leave. This is getting next to my mental well-being.

Representative REUSS. Well, don't blame the messengers, and I know you don't.

Representative MITCHELL. No, I never do.

Representative REUSS. Because we have heard good news from Commissioner Norwood in days gone by and we've heard bad news.

Representative MITCHELL. The days gone by are so long ago though, Mr. Chairman.

Representative REUSS. I would just pursue with you one point that Congressman Mitchell raised. Twenty-eight percent of industries did add some employees.

Ms. NORWOOD. Yes, sir. That always happens.

Representative REUSS. What were they? You said generally service industries. I don't have your breakdown.

Ms. NORWOOD. Well, if we look at the establishment survey, the pay-

roll series data, the services industries, health services, for example, business services, things of that sort did increase.

Representative REUSS. I know the State and local governments have increased. Are the growth industries in this country per chance more mental health workers to take care of the people—I'm serious—who are increasingly distressed by what is going on? Are there more State and local government employees to take care of the growth of unemployment claims?

Ms. NORWOOD. No, sir. I don't think so.

Representative REUSS. The good news, in short, may be not so good.

Ms. NORWOOD. Employment in State and local government has been dropping over the last year and since the recession began. State and local government, as you know, has been increasing its employment for many years, particularly during the 1970's, and that situation has changed.

I was just looking at the particular data for this last month. But if we look at it over a period of some time, we find that the service producing sector as a whole has been relatively stable, perhaps up a little over the course of the recession. But it has not experienced the severe declines that have occurred in the goods producing sector, and particularly in the manufacturing sector.

Representative REUSS. All I was getting at was this. You have identified that a small fraction of job categories in October 1982 did not get worse; they got a little better. In looking at your chart B–1, establishment data, it looks to me that those that got a little better did so because things overall were getting very much worse.

For instance, it is true, small comfort though it is, that, taking October 1982 over July 1982 in terms of State and local government employees, the number of employees went up from 12,898,000 in June 1982 to 12,994,000 in October 1982. That's the biggest improvement anywhere, if you can call it an improvement. What I am suggesting is that the reason for that is that the unemployment visited upon the Nation by Washington's misguided policies has caused the State and local governments to have to hir more people to handle the unemployment compensation claims—an extra depression-related work force.

So there is no balm in Gilead after all.

Ms. NORWOOD. Well, we find that most of the change in State and local governments tends to occur in the education sector, such as in schools.

It is quite clear that the service producing sector has been less hit by the recession than the goods producing sector but that the service producing sector has also been losing jobs in recent months.

Representative REUSS. Well, again, I want to thank you and Mr. Dalton and Mr. Plewes for your help.

I notice that the market on Wall Street liked the results of the elections and the Republican investors in this country have accepted this. If the same healthy view of things can take hold of legislative and executive branch members maybe even as soon as next month we can start turning this thing around.

So thank you very much.

Ms. NORWOOD. Thank you, sir.

Representative REUSS. The committee stands adjourned.

[Whereupon, at 10:25 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, DECEMBER 3, 1982

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in room 2128, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representatives Reuss, Mitchell, Hawkins, Brown, and Wylie, and Senator Sarbanes.

Also present: James K. Galbraith, executive director; Louis C. Krauthoff II, assistant director; Charles H. Bradford, assistant director; Betty Maddox, assistant director for administration; and Paul B. Manchester and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for its monthly inquiry into the unemployment situation.

I want to welcome Commissioner Norwood and associates Mr. Dalton and Mr. Plewes. Ms. Norwood, you have never shown the slightest trace of bias in our frank colloquies here. But, I notice your table is set on a diagonal. I guess that is to accommodate the media, and I don't have any problem with that.

But, I do have problems with the tragic statistics that you have to bring before us today; namely, that in November the unemployment rate rose to 10.8 percent, up sharply from 10.4 percent in October, 10.1 percent the month before. That means that more than 750,000—three-fourths of 1 million American men and women don't have jobs in the November figures.

Meanwhile, the Reagan administration continues to be asleep at the switch with no program to deal with it, and with the same old soft soap about "prosperity being just around the corner."

The number of unemployed was 12 million. The unemployment rate is the highest since 1940, and the number of unemployed is the largest since the depths of the depression in 1933. If this rate continues, over 30 million Americans will be out of work at same time during the next year.

Yesterday, the Labor Department reported that in the week ending November 20, there were 654,000 initial claims for unemployment insurance benefits, an increase of 56,000 over the previous week, and the highest level in 4 weeks. The insured unemployment rate rose to 5.5 percent in the week ending November 13. And 4.8 million persons received regular State unemployment compensation in the week ending November 13, the highest number since the start of the program in 1935.

A year ago, Treasury Secretary Don Regan said that the economy

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is going to come "roaring back in the spring." Spring came, the economy did not come roaring back. Last July, the Federal Reserve confidently predicted that "an upturn in economic activity is highly likely in the second half of 1982." Here we are in the second half of 1982, and the economic downturn is disastrous.

Recent data on industrial production, capacity utilization, new orders, inventories, sales, and the average workweek all are gloomy. Just yesterday, factory orders were reported down 3.9 percent, the worst in more than 2 years. Factory shipments were down 4.1 percent, the worst in 3½ years.

The only ray of hope is that the leadership in the House has proposed that this special session be used to enact legislation to provide jobs through public investment in infrastructure and housing. The program is small, but it is a first step.

One feature of the proposed jobs, housing, infrastructure, and highways package needs improvement. The administration has proposed, and the Ways and Means Committee has now accepted, that highway improvements—and they are needed—be funded by an increase of 5 cents in the gasoline tax effective April 1. The Ways and Means Committee reported such yesterday. This is a bad idea. Such a tax would fall heavily on those who have the need to work. It would contribute to inflation, it would redistribute income unfairly across regions and erode the tax bases of the States.

More than that, according to the President's chief economic adviser, Mr. Feldstein, instead of putting people to work, it would add to the unemployment. The tax would begin to bite in 3 months on April 1, but the work would be done much later, and hence the net effect according to Mr. Feldstein, as reported, would be to throw people out of jobs, not to make jobs for them.

We sought to have Mr. Feldstein here this morning because we thought his testimony, if confronted with the awful figures that we see, would be helpful. Unfortunately, he said he could not meet with us. But, I believe that the Joint Economic Committee is entitled to the benefit of the testimony of the President's chief economic adviser, and the opportunity to cross examine him. Accordingly, I have notified him that we will expect him here at 2 o'clock Monday afternoon, and if he does not appear, I will be forced to take such measures as are available to me.

The 5 cent gasoline tax ought to be deleted from the package. Instead, what we should do is to fund needed highway improvements from general revenues, and recoup the expense to the Treasury by capping the third year of the Kemp-Roth income tax reduction at $700. This would recover, in fiscal year 1984, all of the $5 billion that would otherwise be raised by the gas tax. And in future years, when it is needed, use the surplus to reduce the deficit.

Putting on that cap would improve the fairness, since additional revenue would be raised without reducing the tax cut planned for the average taxpayer. It would not contribute to inflation, nor would it reduce the tax revenues available to the States.

Any package, incidentally, ought to include a firm directive to the Federal Reserve, to bring interest rates down and foster economic recovery. The Board of Governors of the Federal Reserve and the Federal Open Market Committee ought to take such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment.

Such a two-pronged program could begin the repair of our crumbling infrastructure, and to get interest rates down by getting a handle on huge deficits and by asking the Federal Reserve not to frustrate the lower interest rates that can follow.

Such a program can begin at once and I would consider it a disgrace if the lame duck session of Congress produces any less.

Congressman Wylie.

OPENING STATEMENT OF REPRESENTATIVE WYLIE

Representative WYLIE. Thank you very much, Mr. Chairman.

Ms. Norwood, today's unemployment figures are not very encouraging. I associate myself with the thoughts of Chairman Reuss in that regard. At the same time, I think the unemployment picture is a very, very complex issue and people are worried about cyclical unemployment, the unemployment that rises from a recession.

I noted in your statement that you will be giving here momentarily, that job reductions continue in the manufacture of durable goods, which, of course, is a discouraging sign. But, that the factory workweek edged up one-tenth of an hour, and that seems to me to be an encouraging sign for the long run.

I also have noted in the statistics that retail sales are not responding as favorably as some of those in the retail business would like to have them respond. I do feel that we need to do something, we need to address the problem of unemployment and we need to do something to produce jobs, if I may use that phrase. Whether we do it through highway construction or through a housing program, I do feel that we need to address the problem.

But, it is clear to me at the same time that our approach in dealing with the present level of unemployment should be focused on longer term policies for revitalizing the American economy; policies that offer the prospect of reducing the normal rate of unemployment.

Short-term, stop-gap jobs programs of the public works measure are not the answer to the problem, in my opinion. It is even doubtful that they can be effective in producing any significant reduction in the volume of cyclical unemployment.

I think now is the time for us to address the problem and to get away from any emotional rhetoric calling for what may be termed the policy of the past. And I think we should promote the sound approach of the Reagan economic program in the overall, which I think will, in the long run produce long-term solutions to the problem and produce long-term jobs.

I would like to welcome you here this morning. I look forward to your comments. Thank you very much.

Representative REUSS. Thank you, Congressman Wylie.

Congressman Hawkins.

OPENING STATEMENT OF REPRESENTATIVE HAWKINS

Representative HAWKINS. Thank you, Mr. Chairman.

The level of unemployment created by the misguided economic policies of the Reagan administration, I think now we can definitely say, have brought the economy to its knees. I think we have got to recognize the cause of it.

Twenty million people are involuntarily unemployed or underemployed. They are, obviously, the unwilling, innocent victims of the

intentional and unlawful trade-off economics; that is, the deliberate creation of joblessness as a means of fighting inflation.

This is a shabby betrayal of public trust. I don't see any other way that it can be labeled. No one, including those who have fought to become elected to public office is willing to accept public accountability for this situation. The President keeps pointing to pages of want ads and the good intentions of the private sector as the answer to the problem. We, in the Congress, are scurrying around during the short 3-week session trying to patch together a meaningful jobs program which is acceptable to the administration.

For the last month and a half this committee has held hearings on the problem of unemployment. And as a result, the chairman has put forth a thoughtful agenda for the lameduck session which is attempting to address the various facets of the problem in a more comprehensive manner.

While these efforts are significantly better than measures which were acted upon during the bulk of the 97th Congress before the elections, I still feel a duty to point out we have yet to completely embrace the enormity of the unemployment problem that is smothering our economy as well as our collective human spirit.

The public elected us to do something about a sick, misguided economy and they have a right to expect political accountability from us. Try as we may, with very good intentions, to come up with adequate Band-Aid types of approaches, we will be banging our heads against the wall unless we coordinate our efforts by taking a comprehensive approach to the problem of unemployment.

I think I may well point out that the number of persons who have been unemployed since we have been discussing this 5-cent tax, have increased more than what the President anticipates will be put to work as a result of it. In other words, while we discuss 300,000 persons being put to work, or 400,000 in either the Republican or Democratic proposals, that number of people monthly are being put out of work. So, it is a losing proposition at the current rate.

We have, I would like to point out, an economic blueprint for such a coordinated approach already in the law, and it is not necessary to talk about alternatives or about coming up with other solutions. We already have on the statute books and in law, a procedure and programs that can do something about this terrible situation.

The Full Employment and Balanced Growth Act of 1978 clearly and carefully laid out the step-by-step process needed to provide a comprehensive economic policy. The act mandates reducing unemployment and inflation simultaneously and achieving the balanced economic growth that we need so badly.

This act, which requires coordination between the President, Congress, and the Federal Reserve Board, has been flagrantly violated by all three entities, despite their statutory responsibilities.

If we followed the plan set out by this program for growth, we would have embarked on the road to full employment with price stability. And as a much welcomed side effect, such a program would have done much to achieve that ever-so-elusive balanced budget for which everyone is so earnestly searching.

As a member of this panel, therefore, I would like at this time to call upon the Joint Economic Committee, which seems to me the only vehicle available to us, to lead the way and perform its statutory role.

The committee must be an equal partner with the President and the Federal Reserve Board in formulating the comprehensive economic policy which is needed to achieve full employment and price stability.

Under statute, specifically section 302 of the act, the Joint Economic Committee is called upon not only to analyze and review the President's economic policy, but also to make recommendations as to alternatives to that policy, which certainly we have already in place in many instances, but which are being eliminated. Thus, I am requesting, Mr. Chairman, that we ask the committee economists, the staff of this committee and others, to make specific recommendations to us outlining the steps currently necessary to implement not only the policy directives of that act but the actual programmatic requirements as well.

In order to be helpful to the members, I suggest that these recommendations be available to the committee prior to the submission of the President's economic report next year.

All our talk about jobs programs will not amount to a hill of beans unless it is tied to a macroeconomic package that changes current policy to reflect the statutory mandates of the 1978 law. The restrictive Federal Reserve Board policies must be changed, and they must be directed to accelerate the lowering of interest rates by expanding the money and credit aggregates consistent with an economic growth rate necessary to effectively reduce unemployment.

Also, we must move expeditiously to insure that personal income tax reductions are targeted to middle and lower income workers, or at the very least capped, so that we can institute some sense of equity into our tax structure.

So, as we listen again to the testimony from Ms. Norwood, I hope my colleagues will not only focus on the narrow statistical evidence she presents to us, but also place it in the context of the overall economic difficulties we are facing. Short-term, ad-hoc and disjointed solutions cannot begin to adequately resolve the enormous problems we face. We must fashion a comprehensive economic strategy if we are to achieve the full employment and full production mandated in law. Thank you, Mr. Chairman.

Representative REUSS. Thank you, Congressman Hawkins.

I have earlier mentioned the grievous blows which will be dealt this committee at the end of this Congress with the departure of certain members, but none more grievous than the absence after next January from the committee of the gentleman from Ohio, Mr. Bud Brown, who has consistently been one of the hardest working and most industrious members of the committee.

I now recognize Congressman Brown.

OPENING STATEMENT OF REPRESENTATIVE BROWN

Representative BROWN. Mr. Chairman, you are very generous. I am flattered by your remarks.

I wish that that hard work had been rewarded by a meeting somewhat different than this this morning, and news somewhat better than Commissioner Norwood brings to us.

Unemployment now affects almost 12 million people and their families in this country. There is no industry or sector in this economy that is unaffected. The very fabric of the country has changed because of the rise in unemployment that began in 1979.

As unemployment has risen, so has the volume of the debate over what to do to solve the problem. Unfortunately, the whole context of that debate has centered on the recession as the cause of all the current unemployment.

In truth, as this recession ends and the recovery hopefully takes hold in the future, most of our current unemployment will remain. This is due to the fact that structural unemployment—that is those who lack marketable skills in today's society—is very high in our country today. It is abetted by the shift of our economy and the bulk of our employment away from the traditional heavy industries. We are no place more sensitive to this than we are in Ohio, and no one understands it better than someone who ran for Governor in that State and could not have the opportunity to address the problem from that position.

It is abetted, as I say, by the shift of our economy—I want to repeat that—and the bulk of our employment away from heavy industry, of this country.

The high-growth companies of today, the blue-chip companies of tomorrow are capital intensive and require skills that the current general labor force does not possess to a sufficient degree. Until we address that very real need of skill development, none of our efforts on the unemployment front will be sufficient to deal with the whole problem.

Prof. Leonard W. Martin of Cleveland State University has written in this week's Wall Street Journal, that there are three major types of unemployment in our economy; fictional, structural, and cyclical.

The professor writes, and I quote: "Only the cyclical unemployment and its costs are attributable to the recession and the costs thereof."

"Since reduction of each type of unemployment requires a different remedy, it would be most constructive to determine what policies are needed to reduce each type of unemployment. The desirable policies might want less rather than more governmental intervention in the economy. An attempt to remedy all through expansionary macro-policies, or through some other single-faceted panacea like artificially low interest rates, protectionism, or public employment, would be counterproductive."

Professor Martin estimates that roughly 3 or 3½ percent of our present unemployment is caused by the recession. This means that when this recession ends we still will have 8 percent unemployment.

Based on past unemployment statistics in recovery periods, that basic unemployment percentage has been increasing now for a decade or more.

The President's plan to initiate an infrastructure improvement jobs program is welcomed because it addresses our serious infrastructure problem. But I also welcome the President's statement of public sector jobs will not solve our unemployment problem.

Our unemployment problem is tied to massive changes in the huge world economy. The percentage of employment in production of goods has been declining in every industrial nation in this world for the past decade. The percentage of service jobs has been increasing in the same decade in all of the countries of the world.

Robotization, automation, computerization—if you will, microchip-ization—is changing our society and the world. And if we don't address those changes and try to maintain buggy-whip companies for jobs instead, we will not solve the challenge the future has given us.

As the chairman has said, I am leaving this body and this committee—more particularly with reluctance this committee—to attempt to address those changes in other ways in my career in the future.

But I hope this committee will look forward and not backward in its effort to solve the problems we address here this morning. Only by expanding our $3 trillion economy rather than increasing Government expenditure, will we solve an unemployment problem of this magnitude.

It is only by interaction and expansion of tomorrow's world markets that we will get the efficient shifting and expansion skills and jobs in our economy.

It is not an easy message to deliver, but at this time I think it is particularly important that this committee understand the truth after all the recent campaign rhetoric and continuing partisanship. Hopefully, the truth will now come forward and be recognized. This would be good for the Congress, it would be good for this committee, it would be good for the country. But, perhaps, most of all it would be good for those 12 million people who are unemployed in your report. Thank you, Mr. Chairman.

Representative REUSS. Thank you, Bud, and on behalf of our entire committee, good luck.

Representative BROWN. Thank you, sir.

Representative REUSS. Parren Mitchell.

OPENING STATEMENT OF REPRESENTATIVE MITCHELL

Representative MITCHELL. I, too, want to join the chairman in expressing my concern over the departure of Congressman Bud Brown from the committee. We are certainly not idealogical twins in any sense of the word, but I have a healthy respect for your sincerity.

I think during the time that we have served in this House together we have become friends, and I value that friendship. I hate to see you depart.

When I heard what the unemployment figure would be—which did not surprise me—I tried to scribble out a statement, and I found that I simply couldn't. The sheer dimension of the crisis that we now confront almost prevented me from crafting into words my very strong feeling about the devastation that is being imposed on our Nation.

I will support some kind of jobs bill, but I must agree with Congressman Hawkins that if we—and the chairman also—if we pass a pitifully small, woefully inadequate jobs bill in this lameduck session, we will not—I repeat—we will not break the cycle, the trend toward higher unemployment.

As per usual before these hearings, I checked with my economist friends around the country. They have looked at the various proposals that are being offered in terms of a job stimulus, and they are saying that no matter what is passed, the inevitable, ineluctable upward spiral of unemployment is going to increase.

And I regret to tell you, my colleagues on this committee, that they have again confirmed the analysis that I gave to you about a month ago that without something of significance transpiring we will have—we will experience 11.2 percent unemployment by the end of February.

I would certainly be derelict if I did not speak about the astronomical rate of black unemployment, 1 out of every 5; 1 out of every 5 of

my people is out of work. The whole unemployment picture is a disgrace, but that is a total disgrace, to allow such a large segment of the society to unduly bear disproportionate unemployment.

Of course, the figure is compounded, the problem is compounded, by the recent report from Mr. Pendleton. Mr. Reagan's appointment to the U.S. Commission on Civil Rights, which discloses that, despite passage of civil rights laws, the disparity between black unemployment and white unemployment is because of continuing racism and segregation.

I heard my other good friend from Ohio refer to the emotional rhetoric that has been heard about unemployment, and he goes to his district—and I would just call to his attention the emotional cries that he hears and I hear every day from those who are unemployed, just absolutely desperate, absolutely desperate.

I would hope that my friend, Congressman Brown, would join with us in supporting the proposition that Congressman Hawkins is advocating. You see, the problem is you can't talk about the economy recovering 2 years from now or 3 years from now and just leave people out there with nothing. You can't do that. It is indecent.

Therefore, we need something in the interim. I don't know whether the approach of the administration will work. I don't think that it will.

But meantime, meanwhile, do you just leave people sitting out there? Of course not. And I would hope that you would encourage others on your side of the aisle to join the effort, as suggested by Congressman Hawkins, of using the tools that we have right now.

Again, Bud, best wishes to you, God hold you in the hollow of his hand, and as you depart, continue to think about the absolutely dire and bleak plight of some 12 million counted people unemployed in this country, a figure that might well become 14 million by the end of February 1983. Thank you, Mr. Chairman.

Representative BROWN. Thank you.

Representative REUSS. Thank you. Senator Sarbanes.

OPENING STATEMENT OF SENATOR SARBANES

Senator SARBANES. Thank you, Mr. Chairman.

Mr. Chairman, I would be remiss if I didn't at the outset of my comments note that this will be the last hearing of the Joint Economic Committee with Ms. Norwood, to receive these monthly reports, of which you will be the chairman, and I want to acknowledge a feeling of respect that I think is shared by all Members of both the Senate and the House for the extraordinary leadership which you have provided, not only to this committee but to the House Banking Committee and throughout your very distinguished years as a Member of the Congress of the United States.

The Nation's economy would be a lot healthier and our people would be a lot better off had we had the wisdom to follow the recommendations that you have made over the years on how to build a better and stronger American economy.

As a member of this committee, I simply want to thank you for your very able and distinguished leadership. I think the Nation is a better

country because Henry Reuss has been a Member of the Congress of the United States, and I thank you very much for your services.

As I hear these comments from some of my colleagues on the committee, that begin "As the recession ends" or "When the recession ends," I think that the question ought to be, "If the recession ends."

We have consistently heard from this administration that we are about to turn the corner; that the light is at the end of the tunnel. Each quarter the Secretary of the Treasury predicts prosperity in the next quarter. If he is talking in the winter, it is coming in the spring; if in the spring, it is coming in the summer; if in the summer, it is coming in the fall, and on and on and on.

The fact of the matter is that 16 months ago in this country the unemployment rate was 7.2 percent. Only 16 months ago, not even a year and a half ago, unemployment was 7.2 percent, and today it is 10.8 percent. That is a 50-percent increase in unemployment in a 16-month period.

The people, as Congressman Mitchell has pointed out very pointedly, who are being affected by this are losing their homes. They are losing their savings. There is no course on which they can stay. They are simply falling off of the course.

I agree with Congressman Hawkins that we need a set of policies implemented that will address this situation and address it quickly. I don't think the nation can go on with unemployment, not only at this level but at levels far short of this, and seek to shift the burden for it onto fractional problems or structural problems when we have had clearly a 50-percent increase in 16 months. Those problems, frictional and structural, did not emerge in the last 16 months at a time when unemployment was increasing 50 percent.

Over the last couple of months, while we have had representatives of the administration again saying that everything is going to work out all right, that we are coming out of it, unemployment has gone from 10.1 percent to 10.8 percent—0.3 of a jump last month and 0.4 of a jump this month. It seems to me we have to face the situation and come to grips with it.

I want to ask at what point they are going to stop saying "as we come out of the recession" or "when we come out of the recession" and begin to face the very basic question, which is, are we going to come out of this recession at all?

Thank you, Mr. Chairman.

Representative Reuss. Thank you.

And now Commissioner Norwood.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY THOMAS J. PLEWES, ASSISTANT COMMISSIONER, OFFICE OF EMPLOYMENT STRUCTURE AND TRENDS; AND KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS

Ms. Norwood. Mr. Chairman and members of the committee, the employment situation continued to weaken in November. The unemployment rate rose from 10.4 to 10.8 percent, and the number of un-

employed persons reached 12 million. Our survey of business establishments shows that the number of nonfarm jobs dropped by 165,000. Job reductions continued in the manufacture of durable goods. The factory workweek, however, edged up one-tenth of an hour.

Unemployment rose in November for both adult men and adult women. Since the July 1981 prerecession peak, the jobless rate for adult men has risen from 5.8 to 10.1 percent; among adult women the increase was from 6.7 to 9.1 percent. The teenage unemployment rate remained at about 24 percent in November but also was up markedly over the past year and a half. The jobless rate of black workers remained unchanged in November at 20.2 percent, but continued to be more than twice that of whites.

As the recession continues, the number of unemployed who have been out of work for long periods increases. In November, 38 percent of the unemployed had been jobless for 15 weeks or longer; more than half of these had been out of work for more than 6 months. It is also important to remember that people are continuing to enter the unemployment stream, 4 million unemployed persons in November had been jobless less than 5 weeks.

The data series on total employment from the household survey, which had dropped sharply in October, showed no sign of improvement in November. The proportion of the population with jobs continued to edge down. At 56.5 percent in November, the ratio has declined 2 full percentage points since July 1981. While the ratios were down among all major worker groups, the decline was sharpest among adult men.

The November reduction in nonfarm payroll jobs of 165,000 centered in hard goods manufacturing. Machinery, primary and fabricated metals, and transportation equipment all registered substantial declines. Nearly one-half of the total job loss of 2.7 million since July 1981 has occurred in these four industries alone.

Employment in the service-producing sector, which has been weak since last spring, was unchanged in November. Retailers hired fewer workers than usual for the holiday season; as a result, employment in that industry declined after seasonal adjustment. Jobs in the services industry, however, rose in November. Employment in this industry has increased by half a million over the course of the recession.

The indexes of aggregate weekly hours—a comprehensive measure which reflects both employment and hours—continued to decline in November. The over-the-month drop was 0.4 percent; in manufacturing, the drop was even more severe. Over the course of the recession, the total index has declined by 5.8 percent and the index for manufacturing has declined by 16.4 percent.

In summary, the statistics released today reflect continued weakness in the employment situation. The number of unemployed persons rose, and the jobless rate reached 10.8 percent. Although factory hours edged up, employment continued to decline in major durable manufacturing industries.

Mr. Chairman, Mr. Plewes, Mr. Dalton, and I will be glad now to try to answer any questions you may have.

[The table attached to Ms. Norwood's statement, together with the Employment Situation press release, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X–11 ARIMA method						X–11 method (former official method)	Range (cols. 2 to 8)
		Official	Concurrent	Stable	Total	Residual	12–mo extrapolation		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1981									
November	7.9	8.3	8.3	8.4	8.3	8.3	8.3	8.4	0.1
December	8.3	8.8	8.8	8.8	8.8	8.6	8.8	8.8	.2
1982									
January	9.4	8.5	8.6	8.5	8.6	8.7	8.5	8.5	.2
February	9.6	8.8	8.7	8.6	8.8	8.9	8.8	8.7	.3
March	9.5	9.0	9.0	8.9	9.0	9.3	9.0	9.0	.4
April	9.2	9.4	9.3	9.4	9.5	9.4	9.4	9.4	.2
May	9.1	9.5	9.3	9.9	9.8	9.4	9.5	9.7	.6
June	9.8	9.5	9.5	9.4	9.2	9.4	9.5	9.5	.3
July	9.8	9.8	9.7	9.8	9.6	9.6	9.7	9.7	.2
August	9.6	9.8	9.8	9.8	9.7	9.7	9.7	9.7	.1
September	9.7	10.1	10.1	10.1	10.1	9.9	10.2	10.1	.3
October	9.9	10.4	10.4	10.6	10.4	10.2	10.5	10.5	.4
November	10.4	10.8	10.7	10.9	10.8	10.7	10.9	10.9	.2

EXPLANATION OF COLUMN HEADS

(1) Unadjusted rate: Unemployment rate not seasonally adjusted.

(2) Official rate (X–11 ARIMA method): The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 years and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (auto-regressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X–11 portion of the X–11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January–June are computed at the beginning of each year; extrapolated factors for July–December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively of employment and earnings.

(3) Concurrent (X–11 ARIMA method): The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X–11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980.

(4) Stable (X–11 ARIMA method): Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X–11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year to year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X–11 ARIMA method): This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X–11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X–11 ARIMA method): This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) 12-mo extrapolation (X–11 ARIMA method): This approach is the same as the official procedure except that the factors are extrapolated in 12-mo intervals. The factors for January–December of the current year are computed at the beginning of the year based on data through the preceding year. The values for January through June of the current year are the same as the official values since they reflect the same factors.

(8) X–11 method (former official method): The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X–11 program is used to perform the seasonal adjustment.

Methods of adjustment: The X–11 ARIMA method was developed at Statistics Canada by the Seasonal Adjustment and Times Series Staff under the direction of Estela Bee Dagum. The method is described in "The X–11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum, Statistics Canada Catalogue No. 12–564E, February 1980.

The standard X–11 method is described in "X–11 Variant of the Census Method II Seasonal Adjustments Program," by Julius Shiskin, Allan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

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News

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THE EMPLOYMENT SITUATION: NOVEMBER 1982

Unemployment increased further in November and the number of nonagricultural payroll jobs declined, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The Nation's jobless rate rose to 10.8 percent from 10.4 percent in October.

Total employment--as measured by the monthly survey of households--was about unchanged in November at 99.0 million, following a large drop in the prior month. Nonfarm payroll employment--as measured by the monthly survey of establishments--fell by 165,000, with continued reductions in many of the manufacturing industries. Factory jobs have declined by 2.2 million since the onset of the recession.

Unemployment

The number of unemployed persons reached 12.0 million in November, seasonally adjusted, up 440,000 from October, and the Nation's unemployment rate rose four-tenths of a percentage point to 10.8 percent. Virtually all of the over-the-month rise occurred among adult men and women. Since its pre-recession low of 7.2 percent in July 1981, the jobless rate has risen by more than 3-1/2 percentage points, with each of the three major age-sex groups being substantially affected. Over this period, the jobless rate for adult men rose from 5.8 to 10.1 percent, that for adult women increased from 6.7 to 9.1 percent, while the teenage rate moved from 18.7 to 24.2 percent. All were at record high levels in November. (See table A-1.)

Among other major labor force groups, the jobless rate for white workers rose to a new high of 9.7 percent. The rates for blacks (20.2 percent) and Hispanics (15.7 percent) were about unchanged over the month. Among the major occupational groups, the jobless rate for blue-collar workers rose from 15.9 to 16.5 percent. The rate for white-collar workers, who have not been affected by the recession as much as blue-collar workers, increased from 5.1 to 5.6 percent. Sizeable increases were also noted in several industry groups. In particular, the jobless rate for workers in durable goods manufacturing rose sharply over the month to 17.1 percent; this compares with a July 1981 figure of 7.1 percent. (See tables A-2 and A-5.)

Well over half of the over-the-month increase in unemployment stemmed from persons reentering the labor force. However, persons who had lost their jobs continued to account for the largest share of total unemployment--62 percent--up from about 50 percent in July 1981. (See table A-7.)

The number of long-term unemployed (those jobless for 15 weeks or longer) rose by nearly 400,000 to a level of 4.5 million in November. The average (mean) duration, at 17.2 weeks, was unchanged over the month, while the median duration of unemployment increased from 9.6 to 10.1 weeks. (See table A-6.)

Total Employment and the Labor Force

Total employment was about unchanged in November at 99.0 million, seasonally adjusted, following a decrease of 630,000 in the prior month. Since the onset of the recession, total employment has dropped by 1.8 million, with adult men accounting for the bulk of this decline. Employment of adult women has actually shown a small numerical increase over this same period, although not enough to keep pace with their population growth. The overall employment-population ratio edged down slightly over the month to 56.5 percent, 2 percentage points below the July 1981 figure.

The civilian labor force totaled 111.0 million in November, seasonally adjusted. Since November 1981, the labor force has risen by 1.7 million. Adult women and men increased by 1.1 million and 950,000, respectively. The number of teenage workers dropped over the year, primarily due to a declining population. The November labor force developments brought the overall labor force participation rate up 0.2 percentage point to 64.2 percent. (See table A-1.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Oct. - Nov. change
	1981	1982		1982			
	III	II	III	Sept.	Oct.	Nov.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	108,667	110,168	110,715	110,980	110,644	111,019	375
Total employment	100,654	99,740	99,764	99,720	99,093	99,032	-61
Unemployment	8,013	10,428	10,952	11,260	11,551	11,987	436
Not in labor force	61,746	61,852	61,807	61,710	62,237	62,039	-198
Discouraged workers	1,094	1,497	1,619	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	7.4	9.5	9.9	10.1	10.4	10.8	0.4
Adult men	6.0	8.4	9.1	9.6	9.8	10.1	0.3
Adult women	6.7	8.2	8.3	8.3	8.6	9.1	0.5
Teenagers	19.1	22.8	23.9	23.7	24.0	24.2	0.2
White	6.4	8.4	8.8	9.0	9.3	9.7	0.4
Black	15.8	18.5	19.2	20.2	20.2	20.2	0
Hispanic origin	9.8	13.3	14.4	14.6	15.2	15.7	0.5
Full-time workers	7.0	9.3	9.7	10.1	10.5	10.7	0.2
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,360	90,029	89,371	89,267	88,878p	88,715p	-163p
Goods-producing industries	25,646	24,179	23,676	23,530	23,242p	23,086p	-156p
Service-producing industries	65,714	65,850	65,696	65,737	65,636p	65,629p	-7p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.2	34.9	34.8	34.8	34.7p	34.6p	-0.1p
Manufacturing	39.8	39.1	39.0	38.8	38.8p	38.9p	0.1p
Manufacturing overtime	2.9	2.4	2.4	2.3	2.3p	2.3p	0p

p=preliminary. N.A.=not available.

Industry Payroll Employment

Nonagricultural payroll employment fell by 165,000 in November to 88.7 million, after seasonal adjustment. The number of nonfarm jobs has declined by 2.7 million since July 1981. As has been the case throughout the current recession, much of the over-the-month job loss occurred in the manufacturing industries, where employment dropped by 140,000. (See table B-1.)

Manufacturing job cutbacks were concentrated in durable goods, particularly in machinery, transportation equipment, primary metals, and fabricated metals. Since July 1981, the number of jobs in these four industries has declined by 1.3 million. Within nondurable goods, several industries--including textile mill products, apparel, and rubber and plastics--registered over-the-month declines. The number of jobs in mining was also down from October. Construction employment was about unchanged, after declining almost continuously since January 1981.

In the service-producing sector, employment was little different from October, as a decline in trade was about offset by an increase in the services industry. Over the past 4 months, employment in trade has declined by 230,000.

Hours of Work

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls, at 34.6 hours in November, seasonally adjusted, was down 0.1 hour over the month. The factory workweek edged up 0.1 hour to 38.9 hours, while factory overtime, at 2.3 hours, was unchanged from October. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls declined 0.4 percent in November to 102.5 (1977=100). The manufacturing index, at 83.3 in November, fell 0.7 percent over the month and 16.4 percent from July 1981. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings increased 0.3 percent in November, while average weekly earnings were about unchanged, seasonally adjusted. Before adjustment for seasonality, average hourly earnings edged up 1 cent to $7.80, 33 cents above the year-earlier level. Average weekly earnings, at $269.88, were down 43 cents over the month but were up $7.68 over the year. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index (HEI) was 151.1 (1977=100) in November, seasonally adjusted, 0.1 percent higher than in October. For the 12 months ended in November, the increase (before seasonal adjustment) was 5.5 percent. The HEI excludes the effects of two types of changes unrelated to underlying wage rate movements--fluctuations in overtime in manufacturing and interindustry employment shifts. In dollars of constant purchasing power, the HEI increased 1.1 percent during the 12-month period ended in October. (See table B-4.)

Changes in Household Data Series

Next month, with the issuance of data for December, this release will incorporate annual revisions in seasonally adjusted unemployment and other labor force series. With the release of data for January 1983 in February, the Bureau will publish, in addition to the traditional civilian series, new labor force series that include persons in the Armed Forces stationed in the United States. In addition, all occupational data will be coded according to the classification system developed for the 1980 census, which evolved from the 1980 Standard Occupational Classification system. This means that comparisons with previously published occupational data will be severely limited. Moreover, seasonal adjustment of occupational data will not be possible until several years of data become available. Improvements will also be made in the estimation procedures, using newly available data from the 1980 census.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 177,000 establishments employing about 36 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed*, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

—The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

—The household survey includes people on unpaid leave among the employed; the establishment survey does not;

—The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

—The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $6.00 per issue or $39.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

HOUSEHOLD DATA

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1981	Oct. 1982	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
TOTAL									
Total noninstitutional population[1]	173,155	175,069	175,238	173,155	174,584	174,787	174,889	175,069	175,238
Armed Forces[1]	2,158	2,188	2,180	2,158	2,180	2,196	2,198	2,188	2,180
Civilian noninstitutional population[1]	170,996	172,881	173,058	170,996	172,364	172,511	172,690	172,881	173,058
Civilian labor force	109,179	110,767	110,855	108,272	110,522	110,644	110,980	110,644	111,019
Participation rate	63.8	64.1	64.1	63.9	64.1	64.1	64.3	64.0	64.2
Employed	100,502	99,825	99,379	100,172	99,732	99,839	99,720	99,093	99,032
Employment-population ratio[2]	58.8	57.8	56.7	57.9	57.1	57.1	57.0	56.6	56.5
Agriculture	3,288	3,418	3,360	3,372	3,560	3,435	3,368	3,426	3,470
Nonagricultural industries	97,214	96,207	96,019	96,800	96,272	96,404	96,352	95,667	95,563
Unemployed	8,676	10,942	11,476	9,100	10,790	10,805	11,260	11,551	11,987
Unemployment rate	7.9	9.9	10.4	8.3	9.8	9.8	10.1	10.4	10.8
Not in labor force	61,818	62,114	62,203	61,724	61,842	61,867	61,710	62,237	62,039
Men, 16 years and over									
Total noninstitutional population[1]	82,895	83,798	83,877	82,895	83,550	83,627	83,712	83,798	83,877
Armed Forces[1]	1,974	1,998	1,991	1,974	1,990	2,004	2,008	1,998	1,991
Civilian noninstitutional population[1]	80,921	81,799	81,886	80,921	81,560	81,622	81,705	81,799	81,886
Civilian labor force	61,691	62,375	62,367	62,184	62,353	62,460	62,852	62,779	62,931
Participation rate	76.2	76.3	76.2	76.8	76.5	76.5	76.9	76.7	76.9
Employed	56,902	56,203	55,707	57,051	56,192	56,210	56,148	55,915	55,863
Employment-population ratio[2]	68.6	67.1	66.4	68.8	67.3	67.2	67.1	66.7	66.6
Unemployed	4,789	6,172	6,660	5,133	6,161	6,250	6,704	6,864	7,068
Unemployment rate	7.8	9.9	10.7	8.3	9.9	10.0	10.7	10.9	11.2
Men, 20 years and over									
Total noninstitutional population[1]	74,610	75,749	75,852	74,640	75,429	75,531	75,640	75,749	75,852
Armed Forces[1]	1,689	1,765	1,758	1,689	1,744	1,757	1,773	1,765	1,758
Civilian noninstitutional population[1]	72,921	73,984	74,094	72,921	73,685	73,774	73,867	73,984	74,094
Civilian labor force	57,294	58,193	58,193	57,459	58,284	58,026	58,407	58,359	58,475
Participation rate	78.5	78.7	78.5	78.8	78.8	78.7	79.1	78.9	78.9
Employed	53,471	53,056	52,670	53,354	52,996	52,887	52,828	52,626	52,555
Employment-population ratio[2]	71.7	70.0	69.4	71.5	70.3	70.0	69.8	69.5	69.3
Agriculture	2,399	2,592	2,480	2,382	2,474	2,436	2,447	2,462	2,445
Nonagricultural industries	51,072	50,463	50,210	50,972	50,522	50,451	50,381	50,164	50,110
Unemployed	3,773	5,137	5,523	4,105	5,288	5,139	5,579	5,733	5,920
Unemployment rate	6.6	8.8	9.5	7.1	8.8	8.9	9.6	9.8	10.1
Women, 16 years and over									
Total noninstitutional population[1]	90,259	91,272	91,361	90,259	90,995	91,081	91,176	91,272	91,361
Armed Forces[1]	184	190	189	184	191	192	191	190	189
Civilian noninstitutional population[1]	90,075	91,082	91,172	90,075	90,804	90,889	90,985	91,082	91,172
Civilian labor force	47,487	48,392	48,488	47,088	48,169	48,185	48,129	47,865	48,088
Participation rate	52.7	53.1	53.2	52.3	53.0	53.0	52.9	52.6	52.7
Employed	43,601	43,622	43,672	43,121	43,540	43,630	43,572	43,179	43,169
Employment-population ratio[2]	48.3	47.8	47.8	47.8	47.8	47.9	47.8	47.3	47.3
Unemployed	3,887	4,771	4,816	3,967	4,629	4,555	4,556	4,686	4,919
Unemployment rate	8.2	9.9	9.9	8.4	9.6	9.5	9.5	9.8	10.2
Women, 20 years and over									
Total noninstitutional population[1]	82,193	83,438	83,551	82,193	83,091	83,201	83,320	83,438	83,551
Armed Forces[1]	155	167	166	155	165	166	168	167	166
Civilian noninstitutional population[1]	82,038	83,271	83,385	82,038	82,926	83,035	83,152	83,271	83,385
Civilian labor force	43,493	44,668	44,566	42,987	44,076	44,115	44,025	43,833	44,055
Participation rate	53.0	53.6	53.4	52.4	53.2	53.1	52.9	52.6	52.8
Employed	40,418	40,586	40,620	39,878	40,392	40,490	40,369	40,046	40,044
Employment-population ratio[2]	49.2	48.6	48.6	48.5	48.6	48.7	48.5	48.0	47.9
Agriculture	617	638	552	635	600	589	585	572	568
Nonagricultural industries	39,801	39,948	40,068	39,243	39,791	39,901	39,784	39,474	39,476
Unemployed	3,063	3,882	3,946	3,109	3,684	3,626	3,656	3,787	4,010
Unemployment rate	7.0	8.7	8.9	7.2	8.4	8.2	8.3	8.6	9.1
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,351	15,982	15,835	16,351	16,029	15,976	15,929	15,882	15,835
Armed Forces[1]	314	257	256	314	272	274	258	257	256
Civilian noninstitutional population[1]	16,037	15,725	15,579	16,037	15,757	15,702	15,671	15,625	15,579
Civilian labor force	8,454	8,106	8,095	8,826	8,362	8,503	8,548	8,452	8,490
Participation rate	52.7	51.9	52.0	55.0	53.1	54.2	54.5	54.1	54.5
Employed	6,614	6,182	6,089	6,949	6,348	6,463	6,523	6,422	6,433
Employment-population ratio[2]	40.5	38.9	38.5	42.4	39.6	40.5	41.0	40.4	40.6
Agriculture	272	389	348	355	386	411	336	393	456
Nonagricultural industries	6,342	5,794	5,741	6,585	5,958	6,052	6,187	6,029	5,977
Unemployed	1,841	1,924	2,007	1,886	2,018	2,040	2,025	2,030	2,057
Unemployment rate	21.8	23.7	24.8	21.4	24.1	24.0	23.7	24.0	24.2

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (excluding Armed Forces).

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Table A-2. Employment status of the population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1981	Oct. 1982	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
WHITE									
Civilian noninstitutional population[1]	148,631	149,838	149,887	148,631	149,569	149,536	149,652	149,838	149,887
Civilian labor force	95,463	96,479	96,593	95,535	96,493	96,418	96,762	96,421	96,746
Participation rate	64.2	64.4	64.4	64.3	64.5	64.5	64.7	64.3	64.5
Employed	88,800	88,145	87,672	88,498	88,137	88,133	88,020	87,434	87,367
Unemployed	6,669	8,334	8,921	7,037	8,356	8,281	8,742	8,987	9,378
Unemployment rate	7.0	8.6	9.2	7.4	8.7	8.6	9.0	9.3	9.7
Men, 20 years and over									
Civilian labor force	50,670	51,302	51,287	50,881	51,292	51,269	51,607	51,521	51,558
Participation rate	79.3	79.1	78.9	79.3	79.2	79.2	79.6	79.4	79.4
Employed	47,766	47,359	46,899	47,649	47,256	47,202	47,163	46,983	46,805
Unemployed	2,905	3,943	4,389	3,232	4,037	4,067	4,434	4,537	4,753
Unemployment rate	5.7	7.7	8.5	6.4	7.9	7.9	8.6	8.8	9.2
Women, 20 years and over									
Civilian labor force	37,291	38,013	38,208	36,832	37,845	37,716	37,708	37,479	37,746
Participation rate	52.4	52.8	53.0	51.8	52.7	52.6	52.5	52.1	52.4
Employed	34,984	35,122	35,194	34,513	35,067	35,033	34,930	34,637	34,708
Unemployed	2,307	2,890	3,014	2,319	2,777	2,683	2,777	2,842	3,038
Unemployment rate	6.2	7.6	7.9	6.3	7.3	7.1	7.4	7.6	8.0
Both sexes, 16-19 years									
Civilian labor force	7,508	7,164	7,137	7,822	7,256	7,429	7,447	7,422	7,441
Participation rate	56.2	55.3	55.3	58.6	56.3	57.1	57.4	57.3	57.7
Employed	6,050	5,663	5,579	6,336	5,814	5,899	5,927	5,814	5,854
Unemployed	1,458	1,501	1,558	1,486	1,542	1,530	1,520	1,608	1,587
Unemployment rate	19.4	20.9	21.8	19.0	21.0	20.6	20.4	21.7	21.3
Men	20.8	22.0	24.1	19.6	22.6	22.5	22.0	23.1	22.6
Women	17.9	19.8	19.5	18.3	19.2	18.6	18.7	20.1	19.9
BLACK									
Civilian noninstitutional population[1]	18,362	18,692	18,723	18,362	18,600	18,626	18,659	18,692	18,723
Civilian labor force	11,206	11,462	11,447	11,207	11,322	11,412	11,482	11,395	11,452
Participation rate	61.0	61.3	61.1	61.0	60.9	61.3	61.5	61.0	61.2
Employed	9,394	9,182	9,210	9,321	9,223	9,262	9,166	9,096	9,134
Unemployed	1,812	2,280	2,237	1,886	2,098	2,150	2,316	2,299	2,318
Unemployment rate	16.2	19.9	19.5	16.8	18.5	18.8	20.2	20.2	20.2
Men, 20 years and over									
Civilian labor force	5,272	5,428	5,476	5,279	5,362	5,359	5,407	5,389	5,484
Participation rate	74.5	75.0	75.4	74.6	74.5	74.4	74.9	74.4	75.6
Employed	4,485	4,414	4,462	4,461	4,459	4,437	4,334	4,323	4,440
Unemployed	787	1,014	1,014	818	903	922	1,073	1,066	1,044
Unemployment rate	14.9	18.7	18.5	15.5	16.8	17.2	19.8	19.8	19.0
Women, 20 years and over									
Civilian labor force	5,131	5,274	5,188	5,078	5,161	5,198	5,195	5,164	5,137
Participation rate	56.9	57.2	56.2	56.4	56.4	56.7	56.5	56.0	55.6
Employed	4,665	4,599	4,365	4,385	4,363	4,411	4,378	4,329	4,279
Unemployed	466	685	823	693	798	787	817	840	857
Unemployment rate	13.0	16.8	15.9	13.6	15.5	15.1	15.7	16.3	16.7
Both sexes, 16-19 years									
Civilian labor force	803	760	782	859	799	855	881	842	831
Participation rate	35.3	34.0	35.0	37.4	35.5	38.1	39.3	37.6	37.2
Employed	443	380	383	475	402	414	454	449	415
Unemployed	359	381	400	375	397	441	427	393	416
Unemployment rate	44.8	50.1	51.1	44.1	49.7	51.6	48.5	46.7	50.1
Men	42.3	50.6	54.9	41.9	48.3	50.1	51.2	48.0	53.7
Women	47.1	49.5	46.9	46.6	51.2	53.1	45.4	45.2	46.1
HISPANIC ORIGIN									
Civilian noninstitutional population[1]	9,556	9,674	9,355	9,556	9,521	9,689	9,464	9,674	9,355
Civilian labor force	6,193	6,008	5,919	6,151	5,966	6,087	5,967	5,994	5,895
Participation rate	64.3	63.4	63.3	64.4	62.7	62.8	63.1	63.3	63.0
Employed	5,465	5,167	5,020	5,446	5,135	5,197	5,097	5,086	4,970
Unemployed	679	841	899	705	832	890	870	908	925
Unemployment rate	11.0	14.0	15.2	11.5	13.9	14.6	14.6	15.2	15.7

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

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Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Nov. 1981	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
CHARACTERISTIC								
Total employed, 16 years and over	100,502	99,379	100,172	99,732	99,839	99,720	99,093	99,032
Married men, spouse present	38,707	37,748	38,553	38,213	38,184	38,041	37,890	37,598
Married women, spouse present	24,312	24,030	23,820	24,223	24,300	24,187	24,047	23,951
Women who maintain families	5,089	5,042	5,049	5,247	5,216	5,115	5,108	5,007
OCCUPATION								
White-collar workers	53,415	54,105	53,086	53,686	53,750	53,876	53,643	53,729
Professional and technical	16,830	17,298	16,657	17,292	17,023	16,901	17,089	17,093
Managers and administrators, except farm	11,392	11,588	11,461	11,355	11,613	11,649	11,605	11,635
Sales workers	6,507	6,706	6,418	6,567	6,677	6,507	6,595	6,633
Clerical workers	18,686	18,514	18,550	18,471	18,437	18,819	18,395	18,367
Blue-collar workers	30,754	28,750	30,683	29,609	29,465	29,143	29,187	28,685
Craft and kindred workers	12,386	12,114	12,411	12,229	12,342	12,253	12,164	12,150
Operatives, except transport	10,368	8,927	10,320	9,453	9,257	9,038	8,965	8,778
Transport equipment operatives	3,513	3,385	3,430	3,439	3,268	3,369	3,382	3,273
Nonfarm laborers	4,486	4,372	4,614	4,488	4,598	4,583	4,696	4,484
Service workers	13,632	13,840	13,670	13,634	13,926	14,029	13,725	13,871
Farm workers	2,701	2,676	2,802	2,750	2,711	2,714	2,710	2,761
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,339	1,516	1,436	1,530	1,568	1,538	1,608	1,599
Self-employed workers	1,637	1,615	1,681	1,674	1,613	1,562	1,616	1,625
Unpaid family workers	292	229	321	250	254	255	221	247
Nonagricultural industries:								
Wage and salary workers	89,703	88,327	89,238	88,541	88,737	88,650	87,995	87,877
Government	15,572	15,668	15,397	15,443	15,569	15,691	15,820	15,698
Private industries	74,128	72,658	73,841	73,098	73,168	72,959	72,575	72,380
Private households	1,222	1,254	1,204	1,200	1,242	1,229	1,220	1,234
Other industries	72,906	71,404	72,637	71,898	71,927	71,730	71,355	71,145
Self-employed workers	7,126	7,338	7,141	7,268	7,352	7,478	7,333	7,353
Unpaid family workers	390	354	425	390	409	372	415	381
PERSONS AT WORK[1]								
Nonagricultural industries	93,633	92,451	91,323	90,501	90,508	91,054	90,220	90,238
Full-time schedules	75,298	72,765	73,915	72,430	72,112	71,700	71,215	71,408
Part time for economic reasons	4,773	6,142	5,026	5,492	5,648	6,600	6,574	6,488
Usually work full time	1,836	2,101	1,985	2,001	2,054	2,571	2,514	2,226
Usually work part time	2,937	4,041	3,041	3,491	3,594	4,029	4,060	4,258
Part time for noneconomic reasons	13,562	13,544	12,382	12,579	12,748	12,754	12,431	12,346

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial dispute.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1981		1982			1982		
	III	IV	I	II	III	Sept.	Oct.	Nov.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	2.0	2.1	2.5	3.0	3.3	3.5	3.8	4.1
U-2 Job losers as a percent of the civilian labor force	3.8	4.5	4.9	5.5	5.9	6.4	6.8	6.7
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	5.3	6.1	6.5	7.2	7.5	7.9	8.1	8.4
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	7.9	8.1	8.6	9.3	9.7	10.1	10.5	10.7
U-5 Total unemployed as a percent of the civilian labor force (official measure)	7.4	8.3	8.8	9.5	9.9	10.4	10.8	10.8
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	9.4	10.8	11.4	12.1	12.7	13.4	13.9	13.9
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	13.4	11.8	12.5	13.4	14.1	N.A.	N.A.	N.A.

N.A. = not available.

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Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rate					
	Nov. 1981	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
CHARACTERISTIC								
Total, 16 years and over	9,133	11,987	8.3	9.8	9.8	10.1	10.4	10.8
Men, 20 years and over	4,105	5,920	7.1	8.8	8.9	9.6	9.8	10.1
Women, 20 years and over	3,103	4,010	7.2	8.4	8.2	8.3	8.6	9.1
Both sexes, 16-19 years	1,886	2,057	21.4	24.1	24.0	23.7	24.0	24.2
Married men, spouse present	2,098	3,145	5.2	6.6	6.9	7.3	7.6	7.7
Married women, spouse present	1,654	2,199	6.5	7.4	7.1	7.5	7.9	8.4
Women who maintain families	613	718	10.8	12.0	11.6	12.4	11.2	12.5
Full-time workers	7,545	10,203	8.1	9.5	9.6	10.1	10.5	10.7
Part-time workers	1,596	1,822	10.2	11.4	10.3	10.5	10.1	11.4
Labor force time lost[1]	--	--	9.5	10.7	10.7	11.7	12.1	12.4
OCCUPATION[2]								
White-collar workers	2,389	3,168	4.2	4.9	4.8	4.8	5.1	5.6
Professional and technical	465	670	2.7	3.3	3.1	3.2	3.5	3.8
Managers and administrators, except farm	354	472	3.0	3.7	3.8	3.6	3.6	3.9
Sales workers	338	448	5.0	5.4	5.5	5.4	6.1	6.3
Clerical workers	1,192	1,578	6.3	6.9	6.7	6.7	7.1	7.9
Blue-collar workers	4,109	5,652	11.8	14.4	14.2	15.6	15.9	16.5
Craft and kindred workers	1,150	1,683	8.5	10.9	10.6	11.4	10.9	12.2
Operatives, except transport	1,677	2,356	14.1	17.4	17.5	20.2	21.1	21.2
Transport equipment operatives	400	537	10.4	11.6	12.5	11.6	12.7	14.1
Nonfarm laborers	882	1,076	16.0	18.6	17.4	19.2	19.8	19.4
Service workers	1,472	1,749	9.7	12.5	10.6	10.7	10.6	11.2
Farm workers	185	229	6.2	6.1	6.9	5.1	6.6	7.7
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,788	9,372	8.4	10.2	10.1	10.7	11.1	11.5
Construction	916	1,155	17.8	20.3	20.3	22.6	23.0	21.9
Manufacturing	2,173	3,285	9.4	12.0	12.1	13.8	14.1	14.8
Durable goods	1,321	2,269	9.5	12.7	12.9	14.9	16.0	17.1
Nondurable goods	852	1,016	9.3	11.0	10.8	12.3	11.2	11.4
Transportation and public utilities	325	510	5.5	6.1	7.0	6.9	8.1	8.7
Wholesale and retail trade	1,747	2,204	8.6	10.5	9.8	9.8	10.3	10.5
Finance and service industries	1,541	2,027	6.1	7.0	7.0	6.8	7.1	7.7
Government workers	843	851	5.2	4.6	4.6	4.9	4.8	5.2
Agricultural wage and salary workers	235	302	14.1	13.8	14.3	12.5	12.6	15.9

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Nov. 1981	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
DURATION								
Less than 5 weeks	3,757	3,908	3,852	3,990	3,923	4,038	3,920	3,972
5 to 14 weeks	2,816	3,530	2,882	3,161	3,304	3,595	3,517	3,595
15 weeks and over	2,104	4,038	2,364	3,580	3,631	3,870	4,153	4,547
15 to 26 weeks	1,366	1,914	1,229	1,792	1,810	1,856	1,927	2,221
27 weeks and over	1,037	2,124	1,135	1,788	1,821	2,014	2,226	2,326
Average (mean) duration, in weeks	12.9	16.9	13.1	15.6	16.2	16.6	17.2	17.2
Median duration, in weeks	6.5	9.5	6.9	8.3	8.2	9.5	9.6	10.1
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	43.3	34.1	42.3	37.2	36.1	35.1	33.8	32.8
5 to 14 weeks	32.5	30.8	31.7	29.5	30.4	31.3	30.3	29.7
15 weeks and over	24.2	35.2	26.0	33.4	33.4	33.6	35.8	37.5
15 to 26 weeks	12.3	16.7	13.5	16.7	16.7	16.1	16.6	18.3
27 weeks and over	12.0	18.5	12.5	16.7	16.8	17.5	19.2	19.2

Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Nov. 1981	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
NUMBER OF UNEMPLOYED								
Lost last job	4,553	7,029	4,905	6,177	6,347	7,073	7,477	7,478
On layoff	1,586	2,261	1,826	2,079	2,180	2,669	2,572	2,587
Other job losers	3,007	4,768	3,079	4,098	4,167	4,404	4,905	4,891
Left last job	822	795	916	813	806	767	796	784
Reentered labor force	2,276	2,502	2,339	2,526	2,440	2,415	2,217	2,569
Seeking first job	925	1,149	996	1,249	1,328	1,326	1,312	1,230
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	52.5	61.3	53.6	57.4	58.1	61.1	63.4	62.0
On layoff	17.8	19.7	19.9	19.3	20.0	23.0	21.8	21.4
Other job losers	34.7	41.6	33.6	38.1	38.2	38.0	41.6	40.6
Job leavers	10.6	6.9	10.0	7.5	7.4	6.6	6.7	6.5
Reentrants	26.2	21.8	25.5	23.5	22.3	20.8	18.8	21.3
New entrants	10.7	10.0	10.9	11.6	12.2	11.4	11.1	10.2
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	4.2	6.3	4.5	5.6	5.7	6.4	6.8	6.7
Job leavers	.8	.7	.8	.7	.7	.7	.7	.7
Reentrants	2.1	2.3	2.1	2.3	2.2	2.2	2.0	2.3
New entrants	.8	1.0	.9	1.1	1.2	1.2	1.2	1.1

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Nov. 1981	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
Total, 16 years and over	9,100	11,987	8.3	9.8	9.8	10.1	10.4	10.8
16 to 24 years	3,974	4,737	16.3	17.8	18.3	18.2	18.7	19.2
16 to 19 years	1,886	2,057	21.4	24.1	24.0	23.7	24.0	24.2
16 to 17 years	808	875	22.6	26.1	25.8	26.9	25.8	26.4
18 to 19 years	1,080	1,177	20.5	22.8	22.6	21.6	23.0	22.8
20 to 24 years	2,088	2,680	13.3	14.5	15.2	15.3	15.9	16.6
25 years and over	5,091	7,215	6.0	7.5	7.3	7.9	8.1	8.4
25 to 54 years	4,536	6,372	6.5	7.9	7.8	8.6	8.7	9.0
55 years and over	562	867	3.9	5.2	5.1	5.1	5.5	5.7
Men, 16 years and over	5,133	7,068	8.3	9.9	10.0	10.7	10.9	11.2
16 to 24 years	2,273	2,735	17.3	19.0	19.5	20.1	20.3	20.8
16 to 19 years	1,028	1,148	21.8	25.1	25.1	25.3	25.6	25.8
16 to 17 years	438	497	22.7	28.1	27.3	29.6	29.0	28.1
18 to 19 years	587	646	21.3	23.4	23.4	22.6	23.2	24.2
20 to 24 years	1,245	1,587	14.4	15.9	16.6	17.4	17.5	18.3
25 years and over	2,834	4,312	5.8	7.5	7.5	8.2	8.5	8.7
25 to 54 years	2,522	3,783	6.3	8.1	8.0	9.1	9.1	9.3
55 years and over	333	567	3.7	4.8	5.4	5.4	6.1	6.3
Women, 16 years and over	3,967	4,919	8.3	9.6	9.5	9.5	9.8	10.2
16 to 24 years	1,701	2,003	14.7	16.5	16.9	16.1	17.0	17.4
16 to 19 years	858	909	20.9	23.1	22.8	21.9	22.3	22.5
16 to 17 years	370	378	22.5	24.1	24.2	23.9	22.3	24.4
18 to 19 years	493	531	19.9	22.2	21.7	20.6	22.9	21.4
20 to 24 years	843	1,094	11.3	12.9	13.7	12.9	14.0	14.6
25 years and over	2,257	2,903	6.4	7.6	7.0	7.8	7.5	8.0
25 to 54 years	2,014	2,589	6.8	7.7	7.5	8.0	8.1	8.5
55 years and over	229	300	3.9	6.0	4.6	4.7	4.7	4.9

Table A-9. Employment status of black and other workers

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1981	Oct. 1982	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
Civilian noninstitutional population[1]	22,365	23,043	23,171	22,365	22,795	22,975	23,038	23,043	23,171
Civilian labor force	13,710	14,280	14,262	13,757	14,027	14,232	14,282	14,306	14,307
Participation rate	61.3	62.0	61.6	61.5	61.5	61.9	62.0	62.1	61.7
Employed	11,703	11,680	11,707	11,661	11,594	11,738	11,687	11,659	11,652
Unemployed	2,007	2,600	2,555	2,096	2,433	2,494	2,595	2,647	2,656
Unemployment rate	14.6	18.3	17.9	15.2	17.3	17.5	18.2	18.5	18.6

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Nov. 1981	Nov. 1982	Nov. 1981	Nov. 1982	Nov. 1981	Nov. 1982	Nov. 1981	Nov. 1982	Nov. 1981	Nov. 1982
VETERANS										
Total, 25 years and over	8,638	8,263	8,187	7,774	7,661	7,056	526	718	6.4	9.2
25 to 29 years	7,300	6,643	7,013	6,349	6,538	5,727	475	622	6.8	9.8
25 to 26 years	1,601	1,016	1,303	945	1,156	797	147	148	11.3	15.7
30 to 34 years	3,200	2,625	3,081	2,692	2,890	2,265	191	227	6.2	9.1
35 to 39 years	2,699	3,002	2,629	2,912	2,492	2,665	137	247	5.2	8.5
40 years and over	1,338	1,620	1,174	1,425	1,123	1,329	51	96	4.3	6.7
NONVETERANS										
Total, 25 to 39 years	17,564	19,042	16,640	18,035	15,511	16,240	1,129	1,795	6.8	10.0
25 to 29 years	7,968	8,399	7,493	7,910	6,876	6,979	517	931	8.2	11.8
30 to 34 years	5,666	6,333	5,413	6,007	5,101	5,499	312	508	5.8	8.5
35 to 39 years	3,930	4,310	3,734	4,118	3,534	3,762	200	356	5.4	8.6

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

Table A-11. Employment status of the noninstitutional population for ten large States

(Numbers in thousands)

State and employment status	Not seasonally adjusted[2]			Seasonally adjusted					
	Nov. 1981	Oct. 1982	Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982	Nov. 1982
California									
Civilian noninstitutional population[1]	18,145	18,452	18,478	18,145	18,374	18,397	18,424	18,452	18,478
Civilian labor force	11,892	12,274	12,231	11,871	12,203	12,135	12,265	12,271	12,221
Employed	10,965	11,006	10,892	10,915	10,916	10,882	11,027	10,952	10,849
Unemployed	927	1,268	1,339	956	1,287	1,253	1,238	1,319	1,372
Unemployment rate	7.8	10.3	11.0	8.1	10.5	10.3	10.1	10.7	11.2
Florida									
Civilian noninstitutional population[1]	8,005	8,272	8,296	8,005	8,201	8,224	8,248	8,272	8,296
Civilian labor force	4,599	4,989	4,954	4,634	4,769	4,832	4,941	4,972	4,967
Employed	4,251	4,530	4,485	4,281	4,419	4,458	4,570	4,540	4,495
Unemployed	349	459	469	353	350	374	371	432	472
Unemployment rate	7.6	9.2	9.5	7.6	7.3	7.7	7.5	8.7	9.5
Illinois									
Civilian noninstitutional population[1]	8,522	8,568	8,571	8,522	8,558	8,560	8,564	8,568	8,571
Civilian labor force	5,601	5,566	5,561	5,565	5,671	5,665	5,664	5,529	5,550
Employed	5,125	4,899	4,857	5,064	4,975	4,997	4,958	4,849	4,817
Unemployed	479	667	704	501	696	668	706	680	733
Unemployment rate	8.5	12.0	12.7	9.0	12.3	11.8	12.5	12.3	13.2
Massachusetts									
Civilian noninstitutional population[1]	4,457	4,506	4,510	4,457	4,494	4,497	4,501	4,506	4,510
Civilian labor force	3,049	3,043	3,042	3,048	3,066	3,078	3,083	3,027	3,032
Employed	2,858	2,823	2,845	2,835	2,775	2,853	2,860	2,793	2,814
Unemployed	191	220	196	213	291	225	223	234	218
Unemployment rate	6.3	7.2	6.5	7.0	9.5	7.3	7.2	7.7	7.2
Michigan									
Civilian noninstitutional population[1]	6,776	6,785	6,785	6,776	6,784	6,784	6,784	6,785	6,785
Civilian labor force	4,315	4,279	4,262	4,303	4,333	4,349	4,311	4,259	4,244
Employed	3,798	3,642	3,563	3,752	3,709	3,687	3,627	3,573	3,512
Unemployed	517	637	699	551	624	662	684	686	732
Unemployment rate	12.0	14.9	16.4	12.8	14.4	15.2	15.9	16.1	17.2
New Jersey									
Civilian noninstitutional population[1]	5,661	5,717	5,722	5,661	5,703	5,707	5,712	5,717	5,722
Civilian labor force	3,576	3,636	3,675	3,554	3,628	3,636	3,648	3,631	3,670
Employed	3,325	3,336	3,330	3,288	3,339	3,301	3,311	3,299	3,305
Unemployed	252	300	345	266	289	335	337	332	365
Unemployment rate	7.0	8.3	9.4	7.5	8.0	9.2	9.2	9.1	9.9
New York									
Civilian noninstitutional population[1]	13,434	13,525	13,532	13,434	13,504	13,509	13,516	13,525	13,532
Civilian labor force	7,902	7,947	7,908	7,946	8,040	8,046	8,009	8,022	7,962
Employed	7,325	7,231	7,155	7,343	7,381	7,362	7,323	7,265	7,177
Unemployed	577	716	753	603	659	684	686	757	785
Unemployment rate	7.3	9.0	9.5	7.6	8.2	8.5	8.6	9.4	9.9
Ohio									
Civilian noninstitutional population[1]	8,019	8,041	8,042	8,019	8,038	8,038	8,039	8,041	8,042
Civilian labor force	5,121	5,163	5,075	5,084	5,128	5,137	5,078	5,127	5,039
Employed	4,560	4,482	4,367	4,506	4,522	4,484	4,442	4,420	4,322
Unemployed	561	681	709	578	606	653	636	707	717
Unemployment rate	10.9	13.2	14.0	11.4	11.8	12.7	12.5	13.8	14.2
Pennsylvania									
Civilian noninstitutional population[1]	9,112	9,156	9,160	9,112	9,147	9,149	9,152	9,156	9,160
Civilian labor force	5,515	5,539	5,562	5,477	5,492	5,542	5,511	5,491	5,527
Employed	5,035	4,919	4,916	4,982	4,898	4,959	4,889	4,861	4,858
Unemployed	480	620	646	495	594	583	622	630	669
Unemployment rate	8.7	11.2	11.6	9.0	10.8	10.5	11.3	11.5	12.1
Texas									
Civilian noninstitutional population[1]	10,675	10,973	10,999	10,675	10,895	10,920	10,946	10,973	10,999
Civilian labor force	7,201	7,321	7,415	7,178	7,313	7,358	7,314	7,321	7,399
Employed	6,799	6,766	6,832	6,788	6,803	6,867	6,703	6,710	6,840
Unemployed	402	555	582	390	510	491	611	611	559
Unemployment rate	5.6	7.6	7.6	5.4	7.0	6.7	8.4	8.3	7.6

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

[2] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

ESTABLISHMENT DATA

Table B-1. Employees on nonagricultural payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1981	Sept. 1982	Oct. 1982 p	Nov. 1982 p	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982 p	Nov. 1982 p
Total	91,765	89,523	89,536	89,451	90,996	89,535	89,312	89,267	88,878	88,715
Goods-producing	25,489	23,991	23,682	23,346	25,176	23,840	23,657	23,530	23,242	23,086
Mining	1,203	1,084	1,066	1,052	1,202	1,100	1,086	1,075	1,065	1,051
Construction	4,221	4,112	4,081	3,992	4,071	3,927	3,899	3,883	3,854	3,850
Manufacturing	20,025	18,795	18,495	18,302	19,903	18,813	18,672	18,572	18,323	18,185
Production workers	13,838	12,773	12,497	12,331	13,717	12,760	12,647	12,566	12,340	12,222
Durable goods	11,979	10,982	10,749	10,637	11,981	11,133	10,993	10,900	10,663	10,563
Production workers	8,135	7,284	7,055	6,962	8,061	7,388	7,272	7,191	6,982	6,896
Lumber and wood products	629.1	634.9	623.9	617.4	628	614	614	616	612	616
Furniture and fixtures	467.4	441.3	438.5	438.2	462	439	443	439	433	433
Stone, clay, and glass products	628.5	584.0	573.9	566.4	620	579	576	571	564	559
Primary metal products	1,081.0	870.4	830.2	810.2	1,082	906	889	865	831	811
Fabricated metal products	1,570.4	1,424.9	1,354.3	1,384.6	1,553	1,446	1,427	1,414	1,380	1,370
Machinery, except electrical	2,510.0	2,206.2	2,138.0	2,109.2	2,511	2,274	2,230	2,208	2,142	2,109
Electric and electronic equipment	2,086.8	2,001.0	1,981.3	1,975.3	2,077	2,018	2,011	1,995	1,969	1,965
Transportation equipment	1,857.0	1,727.4	1,688.5	1,662.6	1,830	1,759	1,719	1,709	1,662	1,638
Instruments and related products	727.6	699.8	691.4	689.0	727	708	702	701	692	688
Miscellaneous manufacturing	421.5	391.9	389.3	384.0	411	390	384	382	378	374
Nondurable goods	8,046	7,813	7,746	7,665	8,002	7,680	7,679	7,672	7,660	7,622
Production workers	5,699	5,509	5,442	5,369	5,656	5,372	5,375	5,375	5,358	5,326
Food and kindred products	1,680.8	1,732.9	1,702.5	1,656.1	1,664	1,643	1,628	1,629	1,647	1,680
Tobacco manufactures	73.1	68.3	67.9	68.4	69	65	65	63	62	61
Textile mill products	809.1	739.9	737.2	729.8	804	741	737	735	735	725
Apparel and other textile products	1,243.5	1,160.0	1,157.4	1,142.4	1,235	1,126	1,145	1,143	1,143	1,134
Paper and allied products	681.1	659.0	649.8	650.7	681	657	653	657	649	650
Printing and publishing	1,279.4	1,265.4	1,267.7	1,269.7	1,276	1,267	1,269	1,269	1,269	1,266
Chemicals and allied products	1,100.1	1,066.0	1,058.0	1,058.9	1,103	1,068	1,070	1,066	1,060	1,062
Petroleum and coal products	215.9	211.4	209.4	206.3	215	205	205	209	208	205
Rubber and misc. plastics products	730.5	700.8	689.1	681.0	725	700	699	698	683	676
Leather and leather products	232.4	209.4	207.1	206.0	230	208	208	207	204	203
Service-producing	66,316	65,532	65,898	66,105	65,820	65,695	65,655	65,737	65,636	65,629
Transportation and public utilities	5,188	5,076	5,058	5,044	5,150	5,044	5,025	5,031	5,009	5,009
Wholesale and retail trade	20,883	20,573	20,519	20,636	20,623	20,615	20,550	20,492	20,437	20,388
Wholesale trade	5,398	5,277	5,272	5,253	5,375	5,299	5,278	5,272	5,251	5,232
Retail trade	15,485	15,296	15,247	15,383	15,248	15,316	15,272	15,220	15,186	15,156
Finance, insurance, and real estate	5,308	5,367	5,347	5,348	5,329	5,359	5,360	5,367	5,358	5,364
Services	18,800	19,122	19,184	19,108	18,815	19,042	19,048	19,084	19,087	19,127
Government	16,137	15,394	15,830	15,969	15,908	15,635	15,672	15,763	15,745	15,761
Federal government[1]	2,729	2,704	2,704	2,707	2,749	2,737	2,739	2,734	2,723	2,726
State and local government	13,408	12,690	13,126	13,262	13,159	12,898	12,933	13,029	13,022	13,015

p = preliminary.

[1] Data for September, October, and November are estimated by the Bureau of Labor Statistics.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1981	Aug. 1982	Oct. 1982 p	Nov. 1982 p	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982 p	Nov. 1982 p
Total private	35.1	34.8	34.7	34.6	35.1	34.9	34.8	34.8	34.7	34.6
Mining	44.4	41.9	42.0	41.5	(2)	(2)	(2)	(2)	(2)	(2)
Construction	37.1	36.9	37.2	36.2	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	39.7	38.9	39.0	39.2	39.3	39.2	39.0	38.8	38.8	38.9
Overtime hours	2.6	2.5	2.3	2.4	2.5	2.4	2.4	2.3	2.3	2.3
Durable goods	40.1	39.0	39.2	39.5	39.7	39.7	39.4	38.9	39.0	39.1
Overtime hours	2.5	2.2	2.1	2.2	2.4	2.2	2.2	2.1	2.0	2.1
Lumber and wood products	37.7	38.8	38.5	38.6	37.7	38.6	38.2	38.5	38.1	38.6
Furniture and fixtures	38.1	37.7	38.1	38.2	37.6	37.6	37.9	37.4	37.5	37.7
Stone, clay, and glass products	40.5	40.5	40.6	40.6	40.1	40.6	40.3	40.2	40.2	40.2
Primary metal products	39.7	38.0	37.8	38.5	39.6	38.9	38.8	37.8	38.0	38.4
Fabricated metal products	40.1	38.9	39.1	39.3	39.7	39.5	39.2	38.8	38.9	38.9
Machinery, except electrical	41.0	39.1	39.2	39.4	40.7	39.8	39.5	39.0	39.3	39.0
Electric and electronic equipment	39.8	38.8	39.1	39.5	39.4	39.8	39.3	38.8	39.0	39.1
Transportation equipment	40.8	39.5	40.4	40.9	40.4	41.0	40.5	39.8	40.0	40.5
Instruments and related products	40.8	39.8	39.4	39.9	40.2	40.1	40.1	39.8	39.3	39.3
Miscellaneous manufacturing	39.5	38.6	38.9	39.1	39.0	38.7	38.6	38.3	38.5	38.6
Nondurable goods	39.1	38.8	38.7	38.8	38.7	38.6	38.5	38.6	38.5	38.5
Overtime hours	2.8	2.9	2.7	2.7	2.7	2.6	2.6	2.6	2.6	2.6
Food and kindred products	39.8	39.9	39.7	39.7	39.5	39.5	39.1	39.4	39.7	39.4
Tobacco manufactures	38.8	39.7	39.4	38.6	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	39.2	38.2	38.8	39.1	38.7	37.7	38.2	38.1	38.3	38.6
Apparel and other textile products	35.8	35.1	35.3	35.2	35.5	35.2	35.0	35.2	35.0	34.9
Paper and allied products	42.3	41.7	41.7	42.0	42.0	41.9	41.7	41.5	41.7	41.7
Printing and publishing	37.3	37.2	37.0	37.2	37.1	37.0	36.8	37.0	36.9	37.0
Chemicals and allied products	41.6	41.2	40.8	41.2	41.2	40.9	40.9	41.2	40.8	40.8
Petroleum and coal products	43.1	45.4	43.6	43.8	42.5	43.3	43.9	44.0	42.7	43.2
Rubber and misc. plastics products	39.9	39.6	39.4	39.6	39.6	40.2	39.7	39.6	39.1	39.3
Leather and leather products	36.6	35.5	35.1	35.7	36.5	36.1	36.0	35.7	35.0	35.6
Transportation and public utilities	39.2	38.8	38.7	38.6	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale and retail trade	31.9	32.1	31.9	31.8	32.1	31.9	31.9	32.1	31.9	31.8
Wholesale trade	38.6	38.4	38.5	38.5	38.5	38.5	38.5	38.4	38.3	38.4
Retail trade	29.8	30.2	29.8	29.7	30.0	29.9	29.9	30.1	29.9	29.8
Finance, insurance, and real estate	36.2	36.1	36.2	36.1	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.5	32.7	32.6	32.5	32.6	32.6	32.6	32.8	32.7	32.6

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonagricultural payrolls.

[2] This series is not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Nov. 1981	Sept. 1982	Oct. 1982 p	Nov. 1982 p	Nov. 1981 r	Sept. 1982	Oct. 1982 p	Nov. 1982 p
Total private	$7.47	$7.76	$7.79	$7.80	$262.20	$270.03	$270.31	$269.88
Seasonally adjusted	7.45	7.72	7.76	7.78	261.50	268.66	269.27	269.19
Mining	10.39	11.04	10.96	10.99	461.32	462.58	460.32	456.09
Construction	11.18	11.68	11.81	11.69	414.78	430.99	439.33	423.18
Manufacturing	8.20	8.59	8.56	8.62	325.54	334.15	333.84	337.90
Durable goods	8.77	9.16	9.13	9.17	351.68	357.24	357.90	362.22
Lumber and wood products	7.16	7.70	7.62	7.59	269.93	298.76	293.37	292.97
Furniture and fixtures	6.05	6.41	6.43	6.46	230.51	241.66	244.98	248.77
Stone, clay, and glass products	8.54	9.03	9.01	8.99	345.87	365.72	365.81	364.99
Primary metal products	11.10	11.54	11.43	11.53	440.67	438.52	432.05	443.91
Fabricated metal products	8.42	8.90	8.85	8.92	337.64	346.21	346.04	350.56
Machinery, except electrical	9.08	9.40	9.35	9.27	372.28	367.56	366.52	369.18
Electric and electronic equipment	7.83	8.31	8.34	8.39	311.63	322.43	326.09	331.41
Transportation equipment	10.74	11.24	11.29	11.35	438.19	443.98	456.12	464.22
Instruments and related products	7.68	8.44	8.48	8.54	313.34	335.91	334.11	340.75
Miscellaneous manufacturing	6.11	6.49	6.51	6.56	241.35	250.51	253.24	256.50
Nondurable goods	7.38	7.84	7.80	7.88	288.56	304.19	301.86	305.74
Food and kindred products	7.61	7.91	7.86	8.00	302.88	315.61	312.04	317.60
Tobacco manufactures	9.06	9.57	9.56	10.20	350.75	379.93	376.66	393.72
Textile mill products	5.73	5.86	5.88	5.92	224.62	223.85	228.14	231.47
Apparel and other textile products	5.04	5.20	5.20	5.24	180.43	182.52	183.56	184.45
Paper and allied products	8.89	9.63	9.52	9.60	376.05	401.57	396.88	403.20
Printing and publishing	8.42	8.90	8.88	8.92	314.07	331.08	328.56	331.82
Chemicals and allied products	9.62	10.20	10.24	10.25	391.87	420.24	417.79	422.30
Petroleum and coal products	11.58	12.62	12.55	12.71	499.10	572.95	567.18	556.70
Rubber and misc. plastics products	7.31	7.76	7.72	7.79	291.67	307.30	306.17	308.48
Leather and leather products	5.11	5.41	5.39	5.39	187.03	192.06	189.19	192.42
Transportation and public utilities	10.05	10.46	10.47	10.52	393.96	405.85	405.19	406.07
Wholesale and retail trade	6.04	6.26	6.30	6.31	192.68	200.95	200.97	200.66
Wholesale trade	7.79	8.14	8.17	8.18	308.68	312.58	314.55	314.93
Retail trade	5.32	5.52	5.55	5.57	158.54	166.70	165.39	165.43
Finance, insurance, and real estate	6.52	6.90	6.96	7.01	236.02	249.09	251.95	253.06
Services	6.67	6.99	7.05	7.07	216.78	228.57	229.83	229.78

[1] See footnote 1, table B-2.

p = preliminary.

Table B-4. Hourly Earnings Index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted					Seasonally adjusted						
	Nov. 1981	Sept. 1982	Oct. 1982 p	Nov. 1982 p	Percent change from: Nov. 1981-Nov. 1982	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982 p	Nov. 1982 p	Percent change from: Oct. 1982-Nov. 1982
Total private nonfarm:												
Current dollars	143.2	150.4	150.8	151.1	5.5	143.0	148.9	149.9	150.1	150.8	151.0	0.1
Constant (1977) dollars	92.7	93.2	93.2	N.A.	(2)	92.3	93.0	93.2	93.2	93.1	N.A.	(3)
Mining	153.4	163.2	162.1	162.8	6.1	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Construction	136.3	142.5	143.8	141.2	3.5	135.7	140.6	140.7	140.4	142.1	140.5	-1.2
Manufacturing	148.4	154.7	154.7	155.4	6.1	146.4	153.3	154.2	154.7	154.6	155.3	.5
Transportation and public utilities	144.6	151.4	151.7	152.4	5.4	143.5	148.9	150.3	149.9	150.9	151.2	.2
Wholesale and retail trade	140.8	146.7	147.1	147.4	4.7	141.3	145.7	146.5	146.8	147.6	147.9	.2
Finance, insurance, and real estate	142.6	150.7	151.8	152.8	7.1	142.6	148.6	150.6	151.3	152.6	152.8	.1
Services	142.3	149.7	150.5	151.0	6.1	142.2	148.7	149.7	149.7	150.8	150.8	(5)

1 See footnote 1, table B-2.
2 Percent change was 1.1 from October 1981 to October 1982, the latest month available.
3 Percent change was -.1 from September 1982 to October 1982, the latest month available.
4 Mining is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.
5 Percent change is less than .05 percent.
N.A. = not available.
p = preliminary.

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

(1977 = 100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1981	Sept. 1982	Oct. 1982 p	Nov. 1982 p	Nov. 1981	July 1982	Aug. 1982	Sept. 1982	Oct. 1982 p	Nov. 1982 p
Total private	108.3	105.0	104.0	103.4	107.3	104.8	104.1	103.9	102.9	102.5
Goods-producing	100.4	91.5	90.0	88.5	98.4	91.4	90.0	88.7	87.3	86.7
Mining	132.5	126.7	118.3	115.8	145.0	125.1	121.4	118.6	116.5	114.1
Construction	110.8	107.0	106.9	101.3	106.9	101.9	100.5	98.3	97.4	97.6
Manufacturing	96.2	87.1	85.4	84.8	96.6	87.8	86.5	85.5	83.9	83.3
Durable goods	85.7	83.2	81.2	80.8	96.0	86.1	84.1	82.2	80.0	79.3
Lumber and wood products	79.3	82.9	80.6	79.7	79.2	79.4	78.7	79.5	78.2	79.7
Furniture and fixtures	95.6	88.3	88.4	88.4	93.1	87.3	89.0	86.8	85.8	86.3
Stone, clay, and glass products	88.9	81.9	80.4	78.9	86.6	80.8	79.7	79.1	77.9	76.9
Primary metal products	85.8	69.2	60.2	59.8	85.4	68.4	67.0	63.4	60.6	59.6
Fabricated metal products	93.8	81.4	79.9	79.9	91.6	83.9	82.0	80.4	78.5	77.9
Machinery, except electrical	109.5	95.6	82.7	81.7	108.7	92.1	88.9	86.5	83.1	80.8
Electric and electronic equipment	103.2	93.9	93.5	93.8	101.5	97.5	95.8	93.5	92.4	92.3
Transportation equipment	88.0	77.5	76.7	75.9	85.4	83.1	79.4	77.2	74.8	73.5
Instruments and related products	113.5	103.8	100.8	101.6	111.7	106.7	105.6	104.0	100.7	99.9
Miscellaneous manufacturing	95.2	84.7	84.6	83.7	91.0	84.1	82.4	81.4	80.7	80.0
Nondurable goods	97.0	93.0	91.6	90.8	95.4	90.3	90.0	90.3	89.8	89.3
Food and kindred products	99.6	104.6	101.6	97.5	97.3	96.1	93.9	94.7	96.7	95.8
Tobacco manufactures	103.9	99.4	98.1	89.2	94.5	89.8	90.7	88.1	85.2	79.9
Textile mill products	85.6	75.9	76.7	76.5	83.9	74.7	75.2	75.2	75.6	75.1
Apparel and other textile products	96.2	85.8	85.8	84.5	92.7	83.2	86.3	84.6	86.0	83.1
Paper and allied products	97.6	92.8	90.8	91.8	96.6	92.2	91.6	91.9	90.7	91.0
Printing and publishing	107.6	105.7	105.4	106.0	106.5	105.3	104.9	105.5	105.2	105.0
Chemicals and allied products	100.1	95.0	92.5	94.6	99.5	94.0	94.3	94.9	93.2	93.8
Petroleum and coal products	102.1	103.7	98.6	98.1	100.0	94.2	95.5	98.8	95.2	96.3
Rubber and misc. plastics products	97.9	93.3	90.8	90.2	96.3	95.0	93.6	92.5	89.5	88.6
Leather and leather products	89.6	77.2	75.4	76.3	88.3	77.0	78.1	76.6	73.8	74.6
Service-producing	112.7	112.5	111.8	111.6	112.2	112.2	111.8	112.3	111.6	111.2
Transportation and public utilities	105.3	101.7	100.8	100.5	104.4	101.5	101.2	100.7	99.9	99.7
Wholesale and retail trade	107.5	106.2	105.1	105.4	106.3	106.1	105.5	105.6	104.7	104.1
Wholesale trade	112.6	108.7	108.8	108.5	111.8	109.6	109.0	108.6	107.8	107.6
Retail trade	105.5	105.2	103.7	104.2	104.3	104.7	104.2	104.5	103.5	102.9
Finance, insurance, and real estate	117.1	117.0	116.7	116.4	117.4	117.4	117.2	117.8	117.0	116.7
Services	120.3	122.7	122.3	121.7	120.6	121.8	121.8	122.9	122.4	122.3

[1] See footnote 1, table B-2.

p = preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Time span	Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Over 1-month span	1980	53.8	48.9	49.2	29.0	32.8	29.6	35.2	64.0	61.0	62.6	59.4	54.6
	1981	56.7	48.7	51.1	68.3	65.3	54.0	59.9	50.3	50.3	34.7	28.2	31.2
	1982	32.5	42.5	35.8	40.9	51.1	32.0	43.5	37.6	43.0	27.2p	34.6p	
Over 3-month span	1980	50.0	47.0	35.2	28.8	23.1	28.2	34.1	51.6	69.1	67.2	64.2	58.9
	1981	53.5	52.2	60.2	70.2	70.4	65.9	59.4	57.0	40.1	30.6	26.3	23.4
	1982	28.0	31.2	33.6	37.1	35.8	35.8	27.7	31.7	28.2p	28.5p		
Over 6-month span	1980	39.8	34.1	29.3	23.1	26.6	28.8	35.8	44.1	59.1	71.2	64.0	61.0
	1981	64.8	65.9	67.2	67.7	67.2	67.5	51.3	39.0	33.9	30.1	27.7	24.2
	1982	21.8	27.4	27.4	29.8	28.8	30.1	24.2p	21.2p				
Over 12-month span	1980	30.9	32.3	32.8	33.9	31.7	32.3	31.7	33.9	33.9	31.5	30.8	62.6
	1981	73.9	71.0	70.4	62.1	50.0	43.3	35.2	33.6	31.5	27.2	27.7	25.8
	1982	23.1	23.1	21.2	18.8p	20.2p							

[1] Number of employees, seasonally adjusted for 1, 3, and 6 month spans, on payrolls of 186 private nonagricultural industries.

p = preliminary.

NOTE: Figures are the percent of industries with employment rising. (Half of the unchanged components are counted as rising.) Data are centered within the spans.

Representative REUSS. Thank you, Commissioner Norwood.

Among the gloomy pieces of news you brought us, is the fact that retail trade employment is down, has fallen by 160,000 people since last July. Doesn't this indicate that this increase in the rate of unemployment recently is having a cumulative effect, that as people lose their jobs, go on unemployment, run through the unemployment compensation, they buy less and, hence, retailers will have to let employees go; isn't that what's happening?

Ms. NORWOOD. Certainly there is some of that occurring. I think the data in general show that consumers are being extremely cautious in their expenditures. These data on the employment situation suggest that employers are being rather cautious about hiring people for the Christmas season; they perhaps are waiting to see whether sales, in fact, do materialize.

Representative REUSS. That's why I am so worried about the situation and so concerned about the Rip Van Winkle attitude of President Reagan and his associates.

What is the number of unemployed persons, of which the total is some 12 million, who are currently exhausting their unemployment benefits, or who never got them in the first place? I have the impression that it is many millions, and more than half.

Ms. NORWOOD. There were a little more than 4.2 million people collecting regular unemployment insurance benefits. There were almost 1 million people getting Federal extended benefits under the new program. So the total is about 5½ million.

Representative REUSS. Five and one-half million who are getting some kind of benefit?

Ms. NORWOOD. It's about half——

Representative REUSS. That then means there are 6½ million who aren't getting any benefits whatever; does it not?

Ms. NORWOOD. Yes; these are not seasonally adjusted figures. The figure I think you are searching for is that the total unemployment insurance claimants are 47.9 percent of the total unemployed.

Representative REUSS. Then 6½ million people who are without a job and who either never got or have exhausted their unemployment compensation, what do they live on?

Ms. NORWOOD. Many of them, of course, are living in families where there are other workers, and, in fact, the data on income show that the family provides quite an important support system for people who are unemployed. That depends upon the particular situation, of course.

Representative REUSS. Do you have any statistics on how many of the 6½ million Americans who are out of work, can have no unemployment compensation, are saved by being members of an extended family, who can grubstake them in their time of need, and how many don't have that?

Ms. NORWOOD. No, sir, we do not. What we do have each year are data which give us the median income of the families of people who have experienced spells of unemployment during the preceding year.

Those data for the last calendar year suggest that many workers who experienced some spell of unemployment at least in 1981 were living in families where there was some other person employed at some time, and where there were benefits received from unemployment, supplementary benefits, and other things.

Of course, that situation depends upon the particular family. The husband-wife family with two earners is a prominent feature now of American life. The single-parent household, usually maintained by a woman, is, of course, in greater difficulty in a period of this kind. I would like to emphasize that I am not saying that there is no hardship, even in families with some employed member. It is just that the link between economic hardship and unemployment is no longer as clear as it used to be.

Representative REUSS. We who live, as I do, in the cold belt have been consoled or thought to be consoled for some time by the administration that says, "Well, if people can't find a job in Detroit, let them go down to Houston and get a job."

Is it not a fact that in many of the sun belt cities, the advertising for workers—that in those cities there are not now either homes or jobs for those people, and they are as close to being deported back to where they came from as can be done in a free system like ours?

Ms. NORWOOD. It is true that in recent months, unemployment has spread into such industries as oil and gas extraction and some of the other industries that have been the mainstay of the southern belt, so that unemployment is rising in Texas, for example, and some of the other States.

Representative REUSS. I'll close then with the hope that out of this gloomy fact that unemployment has now become universal and national, may arise a national American determination to sweep aside those who have been laughing off this problem and do something about it.

Congressman Hawkins.

Representative HAWKINS. Ms. Norwood, in your statement, you indicated that 4 million unemployed persons in November have been jobless less than 5 weeks.

May I ask you whether or not that means that their unemployment lasted only 5 weeks, or that they merely statistically had been unemployed for that length of time? Does that indicate that number of individuals just temporarily unemployed?

What is the significance of that statement?

Ms. NORWOOD. No, sir. It means merely that as reflected in the household survey, 4 million persons were unemployed and had been unemployed for somewhere between 0 and 4 weeks. They were still unemployed at the time the survey was taken.

Representative HAWKINS. That could be misleading if taken out of context, which apparently was done by the President, because in a television appearance he did say, to downplay the number of unemployed people, that it was only a temporary or transitional situation. And I think he used very much that percentage. That would tend to indicate, however, that might not be the end of that unemployment experience for those individuals. They could still be unemployed.

Is that the actual situation?

Ms. NORWOOD. Yes, Congressman Hawkins. However, I think it is important to recognize that the 12 million people who are unemployed today or who were unemployed at the time the surveys were taken, are not necessarily the same people who were unemployed in the previous months. There is considerable flow into and out of unemployment. I may not have expressed that as clearly as perhaps I should have, but

that is what I meant by the unemployment stream. In general, roughly half of the people who were unemployed in one month remain unemployed in the following month. About a quarter of them leave the labor force to do other things, and about a quarter of them find jobs.

Now in a period of recession, those figures change somewhat, but there still is movement into and out of unemployment.

Representative HAWKINS. That is understandable. I don't question at all the statistical information that you have given us; however, isn't it also true that individuals may flow in and out, but the flow sometimes, many times into unemployment, are the same individuals?

Ms. NORWOOD. Yes, sir.

Representative HAWKINS. So we are not so sure about that. We do know it affects many more families than seem to be indicated at any particular time.

The other thing—in connection with that, however, let us also ask how many have been unemployed longer than 6 months. You did not give that.

Ms. NORWOOD. There were 2,300,000 people who were unemployed 27 weeks or more.

Representative HAWKINS. Thank you. The other question I would like to ask pertains to the profile of the unemployed force. Who are the ones who tend to have the highest percentage of unemployment? Would it be construction workers? Would it be women, blue collar, white collar, and so forth? Those in transportation?

In other words, have you ranked them according to the highest in number, percentagewise, of the unemployed?

Ms. NORWOOD. I have not done a ranking, but I can tell you generally, that because of the steep declines in employment in durable and manufacturing industries, the blue-collar workers have higher unemployment rates than the white collar. In fact, in November, blue-collar workers had an unemployment rate of 16½ percent; operatives, excluding transport operators, had an unemployment rate of 21 percent.

In the automobile industry, the unemployment rate was somewhat higher, 24 percent. Now that means, of course, the people who are employed in the work force of those establishments have high unemployment rates. Because the men are predominantly employed in durable manufacturing industries, the unemployment rates for men are higher than those for women.

Representative HAWKINS. In connection with the current proposal to collect a 5-cent tax in order to put it into construction of highways and bridges, public transportation systems, without dealing with the merit of that proposal, to what extent would that employ the individuals who have the highest unemployment? In other words would it employ women whose unemployment—the percentage of the unemployment rate is, in my opinion, I think above 40 percent? Would it employ construction industry workers? My understanding is their percentage lies somewhere around 10 or 11 percent; am I correct?

Ms. NORWOOD. Twenty-one percent.

Representative HAWKINS. Twenty-one percent in construction?

Ms. NORWOOD. Yes, sir.

Representative HAWKINS. Well, it still is too high, but it certainly isn't as high as some of the others.

What is the unemployment rate among women? What percentage of the unemployed are women who probably would benefit only slightly from any heavy construction proposal?

Ms. NORWOOD. The unemployment rate for women is 9.1 percent.

Representative HAWKINS. What percentage of the total unemployed would they constitute?

Ms. NORWOOD. It's 4 million out of 12, about a third.

Representative HAWKINS. So that in terms of reducing the unemployment rate, these proposals would have very little impact, I assume. To what extent would, let's say, a proposal to fix up the highways and bridges and to employ heavy construction or infrastructure construction work benefit women whose unemployment rate is at least 40 percent?

Ms. NORWOOD. Congressman Hawkins, I would like to believe that jobs that are created would be available to all Americans, whether they are women or men, even if they are in the construction industry.

Representative HAWKINS. I would like to believe that too, Ms. Norwood, but I've worked 50 years to try to accomplish a little bit of it, and we are losing ground, I think. But in any event, let's hear the answer.

Ms. NORWOOD. As the Chairman of the Council of Economic Advisers has said, there are a lot of very complex factors which need to be taken into account in determining the number of jobs that might be created by any kind of activity. And all that I can contribute to that, I think, is that the Bureau of Labor Statistics did have a program to assess the labor and materials requirements in construction. The last survey that was done in that field was in 1981, and from that we find that the direct construction requirements for a billion dollars of new highway construction is about 12,400 positions, and the indirect requirements raise that by another 13 or more thousand jobs.

Now, beyond that one has to make a lot of assumptions about what happens to the income that is generated, whether the expenditure of that income will generate more jobs, and one also needs to take account, of course, of the possible job effects of the methods of financing. So I don't think that it is a very easy kind of thing to decide.

Representative HAWKINS. Thank you, Ms. Norwood. I yield to my distinguished colleague from the Senate.

Senator SARBANES. Thank you. Ms. Norwood, I wanted to make reference not to your statement, but to the first page of the copy of your release. Let me just read it for a second.

The number of unemployed persons reached 12 million in November, seasonally adjusted up 440,000 from October. The nation's unemployment rate rose 0.4 of a percentage point to 10.8 percent. Virtually all of the over-the-month rise occurred among adult men and women. Since its prerecession low of 7.2 percent in July 1981, the jobless rate has risen by more than 3½ percentage points, with each of the three major age-sex groups being substantially affected.

Over this period the jobless rate for adult men rose from 5.8 to 10.1 percent. The adult women increased from 6.7 to 9.1 percent, while the teenage rate moved from 18.7 to 24.2 percent. All were at record high levels in November.

What is the distinction here between adults and teenagers?

Ms. NORWOOD. Twenty years of age and over is adult; 16 to 19 is teenagers.

Senator SARBANES. Is that teenagers out of school looking for work or teenagers in the school—24.2-percent figure?

Ms. NORWOOD. If the teenager is available for work, without a job, and has looked for work during the survey week, he or she is counted as unemployed, whether in school or not in school. So it includes students.

If you were to exclude students, there would be a fairly significant reduction for teenagers.

Senator SARBANES. Now, we know that the 10.8-percent figure, the overall unemployment figure, is the highest since 1940; is that correct?

Ms. NORWOOD. Yes.

Senator SARBANES. Is the 10.1-percent figure jobless rate for adult men also the highest since 1940?

Ms. NORWOOD. Yes.

Senator SARBANES. The 9.1 percent for adult women?

Ms. NORWOOD. Yes.

Senator SARBANES. The 24.8 percent for teenagers?

Ms. NORWOOD. Yes; since 1947. They are all record highs.

Senator SARBANES. You then say that the jobless rate for white workers rose to a new high of 9.7 percent. The rate for blacks, 20.2, and Hispanics, 15.7, were about unchanged over the month. Among blue collar workers it rose from 15.9 to 16.5 percent. And the rate for white collar workers, who have not been affected by the recession as much as blue collar workers, increased from 5.1 to 5.6 percent.

While the white collar workers have been less affected over the period of the recession, obviously since they have a much lower unemployment figure, the worsening of their situation over the last month is markedly different than for the blue collar worker.

In other words, their unemployment over the last month has increased about 10 percent; is that correct?

Ms. NORWOOD. Yes.

Senator SARBANES. How important is the fact that the recession has now gone so deeply that it is reaching groups that are ordinarily immune or relatively immune from the recession?

Ms. NORWOOD. Even though the recession remains very sharply focused in durable manufacturing, unemployment tends to spread out into the service sector surrounding the areas where people are unemployed, and the service sector has in general been weakening, especially in recent months.

Senator SARBANES. Is the white collar worker in a heavy manufacturing industry——

Ms. NORWOOD. He is counted in the heavy manufacturing industry, he or she——

Senator SARBANES. When steel and auto companies are cut so deeply that they are letting off not only their production workers but their management people, their white collar people—is that reflected in the heavy industry figures?

Ms. NORWOOD. Yes.

Senator SARBANES. In the blue collar figure?

Ms. NORWOOD. No; it is reflected in the steel industry figures, but if it is a clerical worker it is reflected in the white collar occupational figures.

Senator SARBANES. Do you have figures concerning the income levels at which people who were out of work could be found?

Ms. NORWOOD. We have information that comes out of a supplement to the "Current Population Survey"—every March for the preceding

year. The latest figures are for 1981; we find out in that supplement whether people have experienced some spell of unemployment during the year and what the income of their family is.

And the Bureau of Labor Statistics has published its first study looking at the linkages between economic hardship and unemployment. We expect to continue to put out data of that kind, which is based largely on the March supplement.

Those data show that at least through 1981 the link between economic hardship—as distinct, of course, from social and psychological hardship—and unemployment is no longer so clear and so close as it used to be. And the reason for that, obviously, is that there are social insurance programs and that there are other people in the family who are working in many cases.

On the other hand, of course, there are a sizable number of families where there is no other worker. There are almost 10 million families maintained by women, for example, and a number of those are in very serious trouble.

So I think we need to look at the income and unemployment link a little bit differently than we did traditionally. It does not mean that it is not important, but the data reflect, I think, some of the trends of the social insurance programs as well as multiworking families.

Senator SARBANES. That is the hardship, but if I were to ask you how many of the unemployed come from people that had jobs at $10,000 a year or less, jobs of $10,000 to $20,000 or $20,000 to $30,000, would you be able to give me those figures?

Ms. NORWOOD. Yes.

Senator SARBANES. What would that show?

Ms. NORWOOD. I could submit something for the record on that, but in general, of course, the durable manufacturing industries have had higher average hourly earnings than the service sector, for example, and the very sharp drop in jobs during this recession in automobiles and steel, which are high-paying industries, would show a concentration in the higher paying range.

Senator SARBANES. When you say "higher paying," what kind of salaries are you talking about?

Ms. NORWOOD. $10, $12, $13 an hour.

Senator SARBANES. So you are still talking below $25,000 a year?

Ms. NORWOOD. Yes.

Senator SARBANES. The CBO has made a study that shows an enormous portion of the economic benefit of the President's program going to the higher end of the income scale, and I am curious to know how many of the people who are getting these benefits are also directly affected by the unemployment. I take it that the accurate response to that question would probably be not very many?

Ms. NORWOOD. I don't know. We do have data on people who have suffered spells of unemployment, and we also have data every quarter——

Senator SARBANES. Could you give me a figure on how many people with incomes above $100,000 have become unemployed, how many people with incomes about $50,000 have become unemployed?

I am getting tired of people in the President's Cabinet, all of whom are millionaires, staying the course when staying the course doesn't affect them in any way. In fact, they are benefited by this course.

Meanwhile, the unemployment is being visited upon those at the middle or the lower end of the income scale.

Could you provide those figures to the committee?

Mr. PLEWES. We can provide the data for 1981 right now to the Senator and to the committee—for those with family incomes of $50,000 or more, but not $100,000 or more, as $50,000 or more is the highest income grouping that we have. We do not have any data yet for the current period.

Senator SARBANES. When will the data for the current period be available?

Mr. PLEWES. It will be collected in March of 1983 and be available in the summer of 1983.

Ms. NORWOOD. It has to refer to the calendar year and therefore cannot be collected until the calendar year is over, but we can submit for the record some information on the previous year.

Senator SARBANES. That would be helpful.

[The following information was subsequently supplied for the record:]

A total of 23.4 million persons experienced some unemployment in 1981. Of these 23.4 million persons, 7.7 million lived in families whose income in 1981 was at least $25,000. There were 968,000 families with incomes of at least $50,000 in 1981 where at least one family member experienced some unemployment.

Senator SARBANES. I would like to see, as you look at it by income levels, where the impact of this unemployment is falling.

While I recognize your point that workers in the heavy construction trades are better paid than a lot of clerical workers, both heavy construction trades and clerical workers are still at about the median figure or below as far as incomes in this country are concerned, and I really want to see how much is hitting the people further up the line, particularly those who are reaping significant benefits from the tax policies of the administration.

On the unemployment figures, unemployment benefits, do you have figures on the number of people who have exhausted their unemployment benefits and are out of work?

Ms. NORWOOD. There are roughly 350,000 people in September who had exhausted their benefits. I cannot tell you what they are now doing. They may be employed. They may be unemployed.

Senator SARBANES. You have no way of knowing how many of the unemployed drew benefits and no longer are drawing them but are still unable to find work?

Ms. NORWOOD. No, sir.

Senator SARBANES. Is there any way to know how many people who drew their unemployment were able, after it ran out, to find work and then went back to work?

Ms. NORWOOD. There are no data that I am aware of that are now available.

Senator SARBANES. There is no survey that would show that?

Representative BROWN. The number of weeks of unemployment.

Ms. NORWOOD. The number of weeks of unemployment we have, but not in relation to the unemployment insurance benefits.

Senator SARBANES. When you say "the number of weeks," what do you mean by that?

Ms. NORWOOD. Just the number of weeks of unemployment throughout the year. We get from——

Senator SARBANES. You mean how long they have been unemployed? Would you know from that whether they have drawn unemployment insurance?

Ms. NORWOOD. Yes, we would.

Senator SARBANES. How would you know that?

Ms. NORWOOD. Because in the survey they are asked about their family income and what the sources of that income are.

Senator SARBANES. What does that survey show about people whose unemployment has run out in terms of their going back to work?

Ms. NORWOOD. It really is not an employment activity survey. It is basically a survey of family income related to the employment experience of the people. So you can pull that out of it.

Senator SARBANES. Would you be able to say to me, in any responsible way, that people, once their unemployment benefits run out, go back to work, that we know that once they have used up their unemployment benefits they go and find a job?

Ms. NORWOOOD. I have no information to respond to a question like that. I would expect that it would depend on each individual situation.

Senator SARBANES. There is no survey, though, of data on which such an assertion could responsibly be made, is that correct?

Ms. NORWOOD. None that I am aware of. I believe that people look at a lot of aggregate data, of course, on jobs that may be available and at the number of persons who are unemployed. There is always a problem in the match.

Senator SARBANES. Mr. Chairman, I simply want to note for the record that Mr. Meese made such an assertion when the question of taxing unemployment benefits was put forward by the administration as an option, and subsequently dropped.

His assertion was that once people ran out of unemployment benefits they found jobs and went back to work. I take it there is no rational basis resting upon survey data or hard fact basis upon which that statement could be made.

Now, Ms. Norwood, I finally want to ask you about the Vietnam veterans.

Ms. NORWOOD. Senator Sarbanes, may I just say that I am sure you are aware that there is considerable economic research literature on the effects of unemployment insurance, and there has been a considerable amount of discussion about what these effects might be.

I am certain that in that literature there is some information. I am only responding to you about BLS survey data.

Senator SARBANES. There is no survey data that would support such an assertion?

Ms. NORWOOD. Not that I am aware of.

Senator SARBANES. On the Vietnam veterans, let me put the question to you this way. I don't understand how the unemployment rate among Vietnam veterans can exceed the nonveteran figure, in some instances significantly, in each age category, with the exception of one-tenth difference in the 35- to 39-year-olds, and yet the overall figure for 25- to 39-year-olds is below the nonveteran figure.

In other words, for 25- to 29-year-old Vietnam veterans it is 15.7-percent unemployment; for nonveterans, 11.8; for 30- to 34-year-olds, 9.1; for nonveterans, 8.5; and for 35 to 39, 8.5, and for nonveterans, 8.6 percent.

That is a significant gap in each instance except the latter, with the Vietnam veteran in a much worse situation. Yet you show the overall figure of 25 to 39 as being below.

Mr. PLEWES. I will try to answer that. The rates we are discussing are for the 25- to 39-year age group: 9.8 percent for the veterans and 10.0 percent for nonveterans. The apparent anomaly arises because the age composition of the veterans differs markedly from the nonveterans. Nearly half of the veterans are in the oldest 5-year age group—35 to 39 years old—whole jobless rate is relatively long. Among nonveterans less than one-quarter are in this age group.

Senator SARBANES. I recognize the difference. I don't see how you can——

Mr. PLEWES. I would say that the unemployment rate for veterans and nonveterans, 25 to 39 years old, is not different. One is 9.8 and the other is 10.0.

Senator SARBANES. But when you break it out, you have much higher Vietnam veterans age——

Ms. NORWOOD. They are also similar groups.

Mr. PLEWES. In the younger age groups the unemployment rates for veterans are higher, that is true, but those groups are so much smaller now because the veterans have aged.

Ms. NORWOOD. Senator Sarbanes, may I say that we have a great deal of difficulty with the data on Vietnam-era veterans, because the group, of course, is getting older. In the younger age groups there are fewer Vietnam-era veterans as defined by the Veterans' Administration.

So we are talking about relatively small numbers. In general, the younger veterans seem to have a harder time in the labor force. As the veterans get older, they have the same kinds of problems in the labor force as nonveterans of their age.

Senator SARBANES. Thank you very much.

Representative REUSS. Thank you, Senator Sarbanes. Congressman Wylie.

Representative WYLIE. Thank you very much, Mr. Chairman.

May I respectfully suggest, Senator, that the statistics as to how many people of high income draw unemployment compensation might be available to the Internal Revenue Service if they make $12,000 including unemployment compensation. There is a tax——

I think that originally was put in to include ballplayers, actors, and so forth in the unemployed with periods of high-level incomes. I think the Internal Revenue Service could help develop statistics that you might want as to how many people are high income and then later become unemployed.

Senator SARBANES. My question wasn't how many of them draw unemployment insurance. My question was, of the unemployed—I would like to take a profile of the 12 million unemployed and carry them back to when they had jobs and find at what income level those jobs were.

Really, to get at the point, I think it is very clear that this unemployment is not hurting people in the upper income groups, the very people who are reaping the major part of the benefits from the current economic program.

Representative WYLIE. I just want to make a point. You might want to mention the question also that IRS may have statistics developing.

But may I say on this question on the taxing of unemployment benefits, I was contacted by a television reporter on Thanksgiving Day, while eating turkey and dessert, and suggested that if this was a trial balloon, it, indeed, was a lead balloon. It wouldn't go anywhere. That proves to be the case.

Another suggestion that came out that day was a reduction in the minimum wages for teenagers as a possible way of putting some of the teenagers back to work. I think we do need to address that problem.

I note in your statement, the teenage unemployment rate remains about 24 percent in November. But the joblessness among teenagers and black workers is something that we need to concern ourselves with.

Do you have any statistics to indicate whether a reduction in the minimum wage for teenagers, 16-, 17-, 18-year olds, 19-year olds, could help in the unemployment situation as far as that group is concerned?

Ms. NORWOOD. Mr. Wylie, that is a subject that has been looked at by researchers for many, many years. Part of the problem is that the data, when broken down to such small groups, tend to have very large variance, and all that I can say is there are a number of studies on that. They do not all agree, and we do not have anything to add.

Representative WYLIE. Another disconcerting statistic which you gave us was that employment among the retail industry apparently is not up as we might have expected during the month of November but is, indeed, slightly down.

A local radio station had a survey—can consumers help us buy our way out of the unemployment problem during the month of November? And they came back 77 percent "No."

But may I suggest, President Franklin Roosevelt thought that perhaps consumers could help us back in 1939 and 1940 when he put Thanksgiving on the third Thursday of November and said that people would start thinking about Christmas shopping the day after Thanksgiving. Therefore, they would have another week to buy.

Are there any statistics available to show what the impact of his proclamation as far as Thanksgiving is concerned might have been? That is pretty far back, but we are looking for ways, I suppose, to try to help in this unemployment situation.

Ms. NORWOOD. I don't know, Congressman Wylie. There may be. We could try to see whether we could find anything.

I think the important thing in the retail trade sector is to recognize that there was, in fact, some hiring that went on in the retail trade sector of something like 140,000 people.

The point is that this is the beginning of the buildup for the Christmas season. We know that consumers are being very cautious about their expenditures, and we know that employers, quite sensibly, are being cautious about hiring.

And so, the employment response to this period of the holiday season was far smaller than it normally is, and that is why after seasonal adjustment we have a decline.

Representative WYLIE. But there may be some psychological factor involved there, which we need to try to find out what it is, I suppose.

In table A–3, I note that by occupation three out of four categories of employment were higher in November than in October. Only blue-collar employment was lower.

Could you comment on that, please?

Ms. NORWOOD. As I indicated in my statement, total employment, that is, overall employment, including the self-employed and agriculture, in the household survey was relatively unchanged in the month of November, but that followed a rather steep decline in the preceding month, and that kind of 2-month pattern is not at all unusual.

One needs to look with some care at the month-to-month variations, especially in the household survey. I might point out that there was a sizable increase in the labor force, and the unemployment data suggest that people coming into the labor force have difficulty finding jobs.

The increase in the labor force followed a decline in the previous month. So we really need to look at these data over a longer period of time.

Representative WYLIE. You said there was a sizable increase in the labor force?

Ms. NORWOOD. Yes; the labor force increased by 375,000 in the month of November, which is really just about the amount that it declined in the previous month, so that there is an up-and-down movement in the labor force, which is why we always try to look at these data over a longer period of time.

Representative WYLIE. We are all looking for some encouraging sign. We could say that is an encouraging sign, I suppose.

Ms. NORWOOD. It is encouraging that people are continuing to look for work, yes. I think we would expect that the labor force over the long run will continue to grow, of course, because the population is growing.

Representative WYLIE. In that connection, in table A–7, I note that among the number of unemployed the vast majority of the increase was in new entrants to the labor force, a point you want to make, not those who have lost their jobs, is that correct?

Ms. NORWOOD. That is correct. The household survey shows that there was an increase in the labor force and that most of the unemployment increase occurred because those people coming into the labor force were not able to find jobs.

The establishment survey, which is another independent observation, shows primarily, I would say, that in addition to the increase in the labor force, there were continued declines from the payrolls in the durable sector.

So I think we need to look at those two pieces of information.

Representative WYLIE. Could we say that people are getting more optimistic about finding jobs?

Ms. NORWOOD. I would hope so.

Representative WYLIE. So would I. I would hope so, too.

Well, how does unemployment in the United States compare with unemployment in Western European countries?

Ms. NORWOOD. In general, the unemployment in the United States is higher than in some Western European countries and considerably lower than in others.

The recession that we are suffering is also being felt in most of the industrialized world. Canada, for example, had an unemployment rate in October, which is the last month for which we have comparable rates, of 12.7 percent; and the United Kingdom had a rate of 13.7 percent. Even France is well up to almost 9 percent.

So there is increasing unemployment going on in Western Europe, in particular, and there is also another difference. And that is that there tends in the United States to be a much greater movement into and out of unemployment. The long-term unemployed comprise a much greater proportion of the total unemployed in Western European countries.

The number of jobs that were created over the last decade was much greater in the United States than in other countries. And the proportion of jobless persons who have been unemployed for 6 months or for a year or more is much larger in countries like the United Kingdom than it is in this country.

Representative WYLIE. Does the lack of decline in the labor force participation among women and teenagers mean there is less so-called hidden unemployment during recession than in previous periods?

Ms. NORWOOD. I am not sure that I understand your question. The unemployment rates for women have been rising, and the unemployment rates for men have been rising even more.

Women are continuing to come into the labor force. The rate of increase of women into the labor force has slowed down considerably because of the recession, as one would expect. As we move out of the recession, I would expect that rate of increase to go up.

Representative WYLIE. OK. I have been given a note that my time has expired.

Representative REUSS. If you have additional questions——

Representative WYLIE. I will come back.

Representative REUSS. Congressman Brown.

Representative BROWN. Thank you, Mr. Chairman. I was not here. I wanted to say to you, when you were eulogized, I appreciate your kind remarks about me, and I want you to know that I am going to miss the association with you in this committee. We have served on other committees together, and I have enjoyed over these many years our association in the Congress together.

We have not always shared the same viewpoint, but we have shared concern about the same issues and addressed our viewpoints on those issues somewhat differently, but I think always with the same wholehearted spirit of trying to resolve problems, and I admire you for that.

Your leadership in this Congress has been salutary, and you will be missed by all of us. I want you to know that. I wanted to say that on my own time. It is very wholehearted.

Ms. Norwood, I also want to congratulate you on the work that you have done in your responsibility. I still miss Mr. Shiskin, but I feel that you have done an immensely good job in your role and hope that you will continue in this for some time, because your work has been scholarly and, I think without bias. That is what is absolutely needed in the Bureau of Labor Statistics, and we appreciate your effort.

There has been some pickup on Congressman Wylie's search for optimistic news. There have been some widespread reports that the housing industry has come to life recently, as interest rates have been lowered.

National Association of Homebuilders, in its November 1982 Economic Newsletter, says that there is more optimism than at any time in the past 2 years. Building permits rose 60 percent last month over October of 1981. Many people in the housing industry feel a boom is taking place.

I want to read just a little bit of the report on housing outlooks. They say in that November newsletter:

October brought dramatic improvement in the expectations of builders for increased single family home sales during the next 6 months; 72 percent who responded to the survey expected their own sales to be "fair to excellent," compared with 53 percent of those who responded in September and 23 percent of those who responded in July.

I am skipping some of the text.

According to builders:

October sales have improved in July. 13 percent of the builders reported that sales would be fair to excellent. In September, the proportion rose to 24 percent. October, it jumped to 39 percent, the highest in two years.

Particularly impressive was the increase in traffic of prospective buyers of new homes. 30 percent of builders reported traffic to be "average to very high," the highest response since the autumn of 1979.

Clearly, conditions are better because interest rates have dropped. A year ago, the FHA rate was 17.5 percent. Now it is down to 12 percent and declining. Construction loans are still expensive, but no longer at 24 percent. Cheaper short-term debt is a great help, and so are cheaper mortgages, particularly FHA and VA fixed rate mortgages, those over which government have some control.

FHA applications for mortgage insurance has jumped 150 percent since July to the anualized rate of 750,000 in October. In mid-1982, the annualized rate was at 300,000 applications. A year ago FHA applications were below the 200,000 rate.

As a result of consumer preferences, the use of fixed rate mortgages by builders has jumped to 68 percent in October, from 36 percent in March 1982.

Housing starts bottomed out in the last quarter of 1981 when the annual rate was depressed, 867,100 units. The third quarter of 1982, starts were up 35.8 percent, and building permits were up 31.2 percent from the lowest quarter just cited, the fourth quarter of 1981.

Sales of new units improved in September. The annual rate jumped 23.7 percent to 464,000 units, from 375,000 in August.

More importantly, the unsold inventory of new single family homes continues to decline and, as of September, was at its lowest level since July 1971. It is up 246,000 units. In a matter of months, this low level of inventory should be worked out to a point where the builders can again start new construction.

The really good news is that the second half of 1982 will be better than the first half by about one-third, and that provides some momentum for the housing industry as it moves into what we hope will be a much better 1983.

However—and this is to your work—your estimates show a decline in construction employment in table B–1.

Do the figures reported this month contradict what the homebuilders have been saying, or is it a question of the additional general building being done; that is, construction, commercial and manufacturing facilities, or is it a question of timing; that is, that the figures for the construction industry will get better in the months ahead, and you are seeing an increase in productivity; that is, more work per person employed in the building industry?

Ms. NORWOOD. Congressman Brown, the table from the establishment survey shows a decline of 4,000 jobs. That is not a statistically significant change. The construction industry is really unchanged. Employment in the construction industry is essentially unchanged.

I think that is probably quite consistent with many of the kinds of things that you have been reading; that is, that it has stopped declining.

Representative BROWN. Let me ask some questions in that area. How much of a lagging indicator is unemployment; that is, does it fall 6

months, 3 months, a year behind an upturn? Has the lag been consistent over the years, or has it changed, depending on the particular cycle of recovery, and does it change with various industries?

Could you give us a little insight into that?

Ms. NORWOOD. In general, once the trough of a recession has been reached, the unemployment rate usually continues upward for 1 month or 2 months or 3 months. It varies from one recession to the other, if you look back historically, but in general, it is an average of a month or two.

There are differences among the industries. I don't have that information, but we could look at it if you would like. I think, however, that it is very important—as you said at the outset—to recognize that this recession is really very different in some respects from the much earlier periods in the 1950's and 1960's, because we have had a continued decline in many of the basic industries, like the manufacturing of automobiles, steel, and machinery.

Those are trends which began long before this recession did and have been exacerbated by the recession.

Representative BROWN. Would it be fair to say—and I don't mean to interrupt you, but I want to go on; I had a further thought on this point—that we have been in a structural recession for some years?

I must say in my own State of Ohio I feel we have been in a recession in Ohio since the 1960's, the late 1960's, maybe the early 1970's, as industries such as steel have declined. Some industries related to automobile manufacture have changed. The automobile industry itself is a likely subject for robotization and therefore likely to be, in terms of its employment, in decline for some time. In terms of its competitive impact of—domestic impact of automobiles and competitive impact by foreign imports, it has been in decline for some time.

So would it be fair to refer perhaps to a structural employment recession that has been endemic and continuing in the United States and in some of the other industrial nations of the world for some time and the current recession as a cyclical recession to be exacerbating that structural change in employment to some extent in the economic decline?

Ms. NORWOOD. Congressman Brown, I would rather not get into a semantics question. I wouldn't want to characterize a recession, but I think you are quite right, that in certain durable manufacturing industries, several that you have mentioned, there have been employment declines occurring over a long period of time and that the recession that we have has made those declines worse.

Representative BROWN. Let me press a little further if I may, and if you don't have the statistics you might express an opinion and then verify them or contradict them, if you could, to this committee with any statistics that you may have available to you.

Is it fair to suggest that the construction industry frequently responds early—that is the homebuilding industry particularly—frequently responds earlier than some of the other industries to recovery and frequently is a leader in a decline phase of a recession?

Ms. NORWOOD. It usually is affected. I am not sure how to respond to that. I would like to submit something for the record.

[The following information was subsequently supplied for the record:]

There have been seven complete business cycles since World War II. Increases in construction employment led the NBER designated turning point in the first three recoveries. Since then, construction employment has only led once—in 1970—and only by 2 months. After the severe 1973–75 recession, the upturn in construction employment lagged the NBER trough by 4 months, and construction employment has yet to recover from the effects of the 1980 recession. Since recessions vary in terms of depth, duration, and dispersion, there has been no consistent pattern that would indicate whether the construction industry will lead or lag the rest of the economy at a turning point.

Representative BROWN. Let me ask about the durable goods industry. Those are usually lagging industries in terms of recovery, are they not—in terms of employment and recovery?

Ms. NORWOOD. Well, the declines of course begin to bottom out, and there is a turnaround that occurs because recessions always hit those goods-producing industries much harder than the service-producing sector.

Representative BROWN. I guess I would follow this scenario. First comes the reduction in purchasing and in the durable goods industry. Then comes the reduction in production because the inventories begin to build up. That leads to the unemployment in that industry.

And until those inventories are reduced and purchasing begins again, you don't have the reemployment, and reemployment usually lags because you have an increase in productivity, don't you, as you have more goods produced per worker employed at the beginning of recovery?

Ms. NORWOOD. That is right.

Representative BROWN. Let me ask, with reference to the United Kingdom, the statistics on the United Kingdom indicated that they have a 13.7-percent unemployment rate, somewhat higher than ours.

Has their productivity improved in the last few months, or are you aware of that?

Ms. NORWOOD. Over the year from 1980 to 1981, their productivity did increase considerably more than it did in the last few years before that.

Representative BROWN. Our productivity in this country, as I understand it, has also improved in the last quarter, is that correct?

Ms. NORWOOD. Yes.

Representative BROWN. Two other quick questions, if I may, without much time—my time is up.

Last month employment did not fall, but the unemployment rate rose because of the increase in the labor force, as you noted in your conversation with Congressman Wylie.

Is there a clear-cut historical relationship between labor force growth and recession or between labor force growth and the beginning of recovery?

Ms. NORWOOD. Labor force growth always slows down during a recession, as people become discouraged or people decide to engage in other activities rather than to look for a job.

Representative BROWN. With reference to recovery, does it then increase at the beginning of real recovery, or do we know?

Ms. NORWOOD. Yes; we would expect that as recovery sets in the labor force would increase. I would not read too much into a single month's number on the labor force change because of the decline in the previous month. We really need to look at labor force changes over a longer period of time.

All we can tell from these data so far are that the labor force growth over the past year has been slower than in previous years.

Representative BROWN. Of course. On this point and the others that I have been raising, I may have my staff submit some questions to you, in certain of these specialized areas like construction needs and so forth.

One other question, I see in this list of 10 largest States that Michigan and Ohio still, unfortunately, have for the last several months, led the list. Michigan now to a terrible rate, 17.2 percent, and Ohio to its highest rate of 14.2.

Are there any other States, small States, that have higher unemployment rates than that that you are aware of?

Ms. NORWOOD. No, sir, we do not yet have the data for the other States for November.

Representative BROWN. Do you have a list of the other States?

Ms. NORWOOD. Yes, we do. The data for the 10 largest States come from the household survey each month. The other States are a combination of household survey and administrative data because we don't have large enough samples for them, and those data have a month's lag. The September data show that Michigan, Alabama, and West Virginia had the highest jobless rates. Ohio, Mississippi, and Illinois come next.

Representative BROWN. Thank you very much. Thank you, Mr. Chairman. I appreciate your patience.

Representative REUSS. Commissioner Norwood, the basic structure of the United States has not changed in the last 18 months, has it?

Ms. NORWOOD. That is a rather tall question. The basic structure has not changed, I would say, depending on how you define "structure" here.

Representative REUSS. Well, one, since unemployment has increased by almost 4 million Americans since July 1981, the day the Reagan program went into effect, at least as to those 4 million one can't dismiss them as purely structurally unemployed, about which nothing can be done, can we?

Ms. NORWOOD. Anyone who wants a job that is unemployed obviously is having difficulty.

Representative REUSS. You have referred this morning to the very sharp rise in initial claims for compensation in the week in mid-November, immediately following the week in which the November unemployment survey was made.

In that week, the week ending November 20, initial claims went up from 598,000 to 654,000, an increase of some 9 percent. Doesn't this presage that our December unemployment figures may be even higher than the sickening 10.8 percent that you have today?

Ms. NORWOOD. Not necessarily, Mr. Chairman, because as I have suggested many times, the unemployment insurance data are the output of program management, essentially. They do not have statistical quality controls. They are put together by various officers all around the country who are State unemployment insurance administrators, have State unemployment administration responsibilities.

There are frequently periods when, for one reason or another, the claims which should be in 1 week find themselves into another week. And so, I think we need to be a little careful about making too much of a shift from 1 week to the next.

Representative REUSS. On this vital question of statistical quality. As you know, I have been urging for some time that the Congress, in its appropriations, fund at least with minimum adequacy the Bureau of Labor Statistics. Because without accurate statistics, we are going to be even more inadequate than we are, in our approach to our economic problems.

Thus, I was heartened when last Wednesday the House passed the appropriations for the Bureau of Labor Statistics, whose appropriations showed a small, but very important increase in the support we give to the Bureau of Labor Statistics; namely, from $113 million in fiscal year 1982 to $122 million in fiscal year 1983.

My question is: Is this—as I hope it is—a help? Will it enable you and your associates to continue to do the splendid job that you have been doing?

Ms. NORWOOD. The $2½ million that was in the House bill has not survived the Senate Committee on Appropriations.

Representative REUSS. But my question is, did the action by the House to a degree meet your needs?

Ms. NORWOOD. The action by the House, as you know, Mr. Chairman, since you are in large part responsible for it, bolstered the wage program, in particular in the Bureau of Labor Statistics, which for the past several years has suffered severe declines in funding.

Representative HAWKINS. Since this is the last meeting of the Joint Economic Committee, I assume——

Representative REUSS. Don't assume it. We are going to have, I hope, a stimulating meeting Monday.

Representative HAWKINS. Let me rephrase it—the last meeting in which we will be dealing with the subject matter which is before the committee today, precisely from the statistical point of view.

It seems to me—and I do not state this as a criticism of any members of this committee—but we are faced with the fact that there has been a substantial increase in the unemployment rate, and I would hope that we deal with that specifically and directly and not as if it has come about by some surprise.

Some of the questions seem to indicate that we sit around here and guess on whether or not there is some recovery or we are searching for some optimistic information. Well, we are not a bunch of banana peddlers on the street corner trying to guess how many customers are going to walk by and buy the bananas.

My understanding of the role of the Joint Economic Committee—and I think this role has been enhanced under your leadership—is that we are in a policymaking position. We are supposed to cause this recovery to take place. We are supposed to do something about causing revitalization of housing, not guessing whether someone else is going to go out and build the houses.

We are supposed to be doing something to reduce unemployment rather than, as the administration has done, deliberately increasing it.

Now, if you have policies that are tradeoff policies and you say we are going to fight inflation by inducing a recession, eliminating jobs programs, and creating unemployment, then why are we so surprised that the unemployment rate has gone up?

I would think that this committee is charged with the responsibility of developing a strategy to reverse this situation, and I don't think

any amount of searching, as we seem to be doing, as if we don't have any accountability of public officials to do something about it. As policymakers—we are not spectators; we are policymakers.

And if we don't do it, if the administration doesn't do it, it is up to us, it seems to me, to encourage the Congress, every committee of the Congress, to get busy to bring in programs to do something about it. And I just don't understand how it is we sit around and bemoan the fact that suddenly we have this high unemployment rate when the policies have been creating it for 2 years, and we have done nothing to stop it.

I think we should charge the administration with this responsibility. We all admit that the interest rates are up too high, and that is one of the causes of this recession, and I think it is up to us to start doing something specifically about these programs.

And I would hope that the Joint Economic Committee, which seems to be the last hope, that if we are going to have any comprehensive approach that will tie monetary and fiscal policies together with structural programs, would do something to remove this continuing increase in the unemployment rate.

If we don't do it, I don't know who else is going to do it, and I certainly hope that the final weeks of this administration this year—that we do it under your leadership, because I think we have capable leadership. We have ideas. We have programs in place that are being disavowed, and we can do something about it.

We have alternatives, and yet we are not using them. We are not using those already on the statute books. We are eliminating the very programs that could help out, and yet we sit around and wait for the unemployment rate to keep going up.

I just think we need to get our staffs busy. We need members of this committee to get busy and to spark some type of strategy that will attack these problems comprehensively, not on a piecemeal, ad hoc basis.

As I say, I say this not in the interest of anyone. Being, I guess, the most junior member of this committee, far be it for me to criticize, but some of us have worked for a long time since the Employment Act of 1946 and, more recently, in 1978, Full Employment and Balanced Growth Act, to develop this comprehensive approach, and yet we neglect it and we go on waiting for things to happen as if we are spectators up in the bleachers trying to find out what is going on and where the action is.

Representative REUSS. Congressman Wylie.

Representative WYLIE. May I respectfully suggest to the gentleman from California that I wasn't aware that we are eliminating programs that could help?

But that brings me to another thought, and that is, do we have any employment or unemployment data which is specifically geographically broken down into defense- and nondefense-related activity?

Some of us have the impression that defense-related activity has something to do with employment or unemployment vis-a-vis the States of Texas and California; whereas, the high interest rates that we have been going through had a harmful effect on employment in the Northeast and the Midwest.

Are there any available statistics that would test that hypothesis?

Ms. NORWOOD. There, of course, are data suggesting that the employment effects of defense contracts take some time to develop and that they are beginning to have some effect, particularly in preventing declines in some areas.

It is too early, I think, for us in BLS to have any information on that, but we are watching this situation with great care.

Representative WYLIE. I would be glad to have you expand on that if you want to for the record, since we are going to have a certain amount of questions on increased defense spending.

Well, Mr. Chairman, we have had some very bad news here this morning which we all must address as members of this committee and, of course, as Members of the Congress. We do need to get people back to work. There is no question about that.

The unemployment rate is important to all of us. Now without meaning to detract from the seriousness of the situation and, again, looking for some good news if there is some, would you please summarize whatever good news we can find from the information you have given us here this morning?

Representative REUSS. You have as much as 10 seconds to do that. [Laughter.]

Ms. NORWOOD. I think the manufacturing hours series, which is a leading indicator, bears watching, as it registered a slight increase in November.

The services sector had increased employment. Construction employment did not decline any further, and that is consistent with the rest of the information we have on housing permits and mortgage interest rates. The leading indicators index is up.

On the other side, unemployment is up, durable jobs are down, and the retail sector is relatively weak.

Representative WYLIE. This may be an unfair question, but I think it is a fair observation, that the housing industry has led us out of recession in the past. There is a very, very positive ripple effect when the housing industry does respond favorably.

People start buying refrigerators, stoves, and dishwashers, and they have to haul those someplace, so the trucking industry is back to work, and so forth. There are a lot of very good things that happen when the housing industry does respond favorably.

As I say, this is an unfair question. What would be your feeling about the so-called housing stimulus bill vis-a-vis the unemployment problem?

May I say that I was a cosponsor of the housing stimulus bill, so I may be looking for some encouragement there.

Ms. NORWOOD. Well, Congressman Wylie, I have always been quite impressed with the competence of the members of the Joint Economic Committee, and I am sure that they can deal with that problem.

Representative WYLIE. Thank you very much.

Representative REUSS. Thank you. Representative Brown.

Representative BROWN. Yes, Mr. Chairman, just one final word. I can't resist the temptation to give one final word of advice to this committee and my colleagues. And that is that there is a spate of interest now in jobs programs.

I sympathize absolutely with my friend Parren Mitchell. We have conducted joint hearings on the unemployment question over the past several years, particularly in reference to the interests that we mutually share in teenage and black unemployment, or minority unemployment. But I hope that the Congress will take great care in the development of programs in this regard.

We looked at the problem in Ohio during the campaign, and while this may mix politics, campaign politics, of the Joint Economic Committee a little too much, our proposal was that the program devised be one that could translate as quickly as possible into the actual job. It made no difference whether that job, from the standpoint of the jobseeker or the jobholder, was in the public or private sector.

My own preference is for private sector jobs because I think they last longer and tend to be more productive as opposed to anybody elected to office or employed by the Government without having to be elected. But the point being they stand an economic test rather than a public-interest test and, therefore, tend to be better for the economy all in all.

It is my hope that if we develop a jobs program it will not be in the traditional sense of jobs programs. That is something to put people on the payroll without necessarily putting them to work or giving them a skill that they can use for the benefit of society in the future.

And it is also my hope that those jobs programs will not wind up providing the jobs 3 years after the recession is over, or 4 years after the recession is over, at the peak of the next boom, and adding to our economic problems, but will translate immediately.

I happen to feel that infrastructure jobs—perhaps this is true because Ohio has a deteriorating infrastructure as compared to some other Midwestern or Eastern States to a rather extreme degree—but infrastructure jobs—highways, bridges—25 percent of the bridges in the State of Ohio are in a state of near collapse or considered to be unserviceable for their original purpose—sewer and water lines—many older cities in our State need the construction of sewer and water lines badly—and that kind of public investment helps rebuild the economic base.

Whether you are talking about providing good neighborhoods for residential communities, or an industrial neighborhood for a steel industry, or an industrial neighborhood for a computer industry, you still have to have a highway bridge across the stream or the arroyo. You still have to have good roads. You still have to have the sewer system, the water system to service those locations.

Those investments, it seems to me at this time, make some sense, provided we can have them done quickly and provided that you can translate those 12 million people who are unemployed into some of those employment opportunities.

If you can't do that or if you do it at the same time the computer industry is competing for their services in the recovery, you haven't really met the test, and I hope that you will consider it from the economic standpoint rather than just political standpoint.

Representative REUSS. Senator Sarbanes.

Senator SARBANES. Mr. Chairman, I want to make one final observation. I hear a search for a kind of fine, silver lining in this dark cloud, which misses the point entirely.

The point is we have 10.8-percent unemployment, which is the worst by far in 42 years. Every subcategory of that unemployment is the worst by far in 42 years. The effort here to search out and find a one-tenth increase in the manufacturing hours and then say that is a leading indicator ignores the fact that it wasn't a leading indicator in the early part of 1982.

Isn't it correct, Ms. Norwood, that manufacturing hours went up markedly between January and February 1982?

Ms. NORWOOD. Yes.

Senator SARBANES. And Secretary Regan pounced on that point at the time, I recall, to show that we were coming out of the recession.

The unemployment rate at the time had gone from 8.5 to 8.8 percent, and it has kept right on going throughout all of 1982, and now it is at 10.8 percent.

We can sit here and work through all of these tables back and forth and say: "This is a leading indicator." The fact of the matter is that the recession is deepening, 0.4 of a point increase in unemployment in one month, 0.3 of a point increase the previous month.

In 16 months, we have gone from 7.2-percent unemployment to 10.8-percent unemployment, a 50-percent increase in unemployment. And people still talk about "when we come out of the recession," or "as we come out of the recession."

The basic question that has to be asked, in my judgment, is: Are we going to come out of the recession at all?

Representative REUSS. Are there any further remarks?

If not, I would summarize the hearing by saying that this is terrible news which is now before us. It indicates what I have been saying for many months, that the lameduck Congress must address itself to the problem of how to get out of the recession. That has to be observed.

We have tabled before the Congress and the Nation a program of doing just that, a program which really has two parts: (1) an attack on the crumbling infrastructure and housing of this country, putting people to work repairing and rebuilding those; and, (2) a program of bringing down interest rates by getting rid of the wasteful effects of the third year Kemp-Roth tax cut that would benefit largely people making over $50,000 a year and using that $7 billion saving to produce healthier deficits and thus permit and, indeed, require the Federal Reserve to reduce interest rates and get our economy moving again.

I said at the time when I tabled that program some weeks ago, right after the election, that I was confident that the Congress had an ample supply of responsible Republicans, who would join with similarly minded Democrats to set a program forth in the lameduck and not leave the Nation waiting for the new Congress to get organized.

The new Congress is going to swear in and get on the payroll on January 3 and then adjourn for 1 month, following the usual pattern; be ready to do business sometime next spring.

Well, if we do nothing now, there may not be an economy to which the new Congress can address itself.

I was very heartened just a moment ago to hear that fine statement that there are sensible and responsible Republicans who would join us in this effort, that that was not an idle boast.

Congressman Wylie announced a moment ago that he was joining in the housing portion of the infrastructure program, cosponsoring it, and I commend and congratulate him for it. With that kind of spirit we can do something, and the Rip Van Winkles in the White House will never know what hit them.

So with that hope and the feeling that the lameduck session of Congress need not be in vain, we now stand in adjournment until next Monday at 2 o'clock, when we will hear from the newly constituted and recently appointed Chairman of the Council of Economic Advisers, Martin Feldstein, who has been exercising his function brilliantly before the Press Club, in press conferences, and the media, and who Monday will give an opportunity to the Joint Economic Committee to examine him on his economic views.

Ms. NORWOOD. Mr. Chairman, may I take this opportunity to express my appreciation both to Congressman Brown and to you, Mr. Chairman, for the opportunity to appear before you, and for the fairness with which you have treated us, all of us in the Bureau of Labor Statistics. And may I say thank you for the intellectual challenge which you always presented every month.

I look forward to further meetings with the rest of the Joint Economic Committee.

Representative REUSS. Thank you, Commissioner. You know the great regard the committee holds for you.

The committee stands adjourned.

[Whereupon, at 11:40 a.m., the committee adjourned, subject to the call of the Chair.]

[The following information was subsequently supplied for the record:]

REAGANOMICS AND REAGANETHICS: ECONOMIC, SOCIAL, AND GOVERNMENTAL IMPACTS An Interim Assessment

Michael S. March*

Drastic changes in economic and social policies have been effected by President Ronald Reagan since January 20, 1981, under the label of "Reaganomics." The philosophy of this avowed "revolution" is to reverse the national policies which have grown up since the Great Depression of the 1930s.

The Reagan Administration's purposes are to (1) rely on private enterprise to carry on economic functions with less government fiscal and regulatory involvement; (2) reduce sharply the proportion of the GNP devoted to federal budget by cutting taxes and expenditures while increasing defense sharply and cutting other programs; (3) curtail federal social programs by turning these activities back to the states and by reducing direct federal outlays for so-called "entitlements" which by the Reagan definition include both needs test programs and earned pensions; and (4) reduce the government's role in aiding the disadvantaged of the country while enacting a "New Right" social agenda relating to abortion, prayer in the schools, and tax credits for private schools.

This paper examines performance to date on the administration's promises and analyzes the economic, social, and governmental implications of these policies and actions.

Reagan Budget and Tax Actions

"Supply side economics" has been the rationale on which President Reagan's economic, budget, and tax policies have been based. This unconventional theory assumes that if tax rates are reduced in the higher income brackets, incentives to work and save will be enhanced--and, in turn, the savings will be translated into business investment, jobs will be created, and GNP growth may make up revenues lost due to the tax cut.

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The President has had remarkable success over the past 21 months in garnering public support for Reaganomics and in securing enactment by the Congress of several major pieces of legislation to implement his policies. These were laid out less than a month following inauguration in President Reagan's Program for Economic Recovery. This plan projected for the fiscal years 1981-1986 tax reductions of $718 billion, defense outlay increases (over the 1980 level) of $715 billion, and domestic outlay cuts of $423 billion. A deficit of $54.5 billion was projected for 1981, but a balanced budget was forecast for 1984 and thereafter.[1/]

From the President's standpoint, the major Reaganomic achievement has been the"Economic Recovery Tax Act of 1981," which became law on August 13, 1981.[2/] It reduced taxes by an estimated $750 billion for the six years, 1981-1986.[3/] This bill enacted some of the largest and most egregious tax ripoffs of this century.

The second key success was the "Omnibus Budget Reconciliation Act of 1981," which used the Congressional budget process as set up in 1974 in an unintended way to pass one bill which made numerous changes in substantive law to curtail programs and implemented about $32 billion of the $41 billion of the President's recommended reductions in the federal budget for fiscal year 1982.[4/]

The President's success with the budget for fiscal year 1983 has so far been less complete than in his honeymoon year, but nevertheless has been considerable. He proposed budget savings for 1983 of $43 billion, but this still left a string of projected budget deficits ranging from $93.5 billion in 1983 to $66 billion in 1986--largely due to less rosy administration economic assumptions than assumed a year earlier.[5/] The Congressional Republicans, shocked by the large deficits submitted by the President and the Democrats upset over the large proposed cuts in social programs, in bipartisan actions refused to go along with the President's 1983 budget.[6/]

By stages, it also became clear that the Reagan deficit projections were grossly understated. In February, 1982, the Congressional Budget Office estimated that the federal deficit could reach $140-160 billion in each of the three fiscal years 1983-1985 even with Congressional actions to increase taxes

and cut some expenditures.[8/] Despite a rapidly worsening economy, which accounted for growing budget deficit forecasts, given the recklessly large tax cuts enacted in 1981, President Reagan stuck staunchly to the supply-side theory and refused to agree to any roll-back of the sharp 1981 rate cuts in personal income taxes for the high income brackets.

However, as part of a Senate-led compromise ending in expenditure reductions of about $20 billion for fiscal 1983 (still not fully unenacted before the election recess), the President changed his mind and fought for a tax increase bill which raised some consumption levies and restricted various "tax expenditure" loopholes, such as the egregious 1981 "safe harbors leasing" provision for corporations. Suddenly, also, the administration and the Senate discovered tax equity. The "Tax Equity and Fiscal Responsibility Act of 1982" became law on September 3, 1982. It increased revenues by an estimated $18 billion for fiscal 1983 and an additional $132 billion during the next three years--thereby replacing 20 percent of the revenue loss caused by the 1981 tax cut bill for the period 1981-1986.[9/] Ironically, the political pressure on the President to reduce deficits was so great that this tax bill was enacted in the midst of a serious recession. Supply-sider Rep. Jack Kemp strongly opposed the tax increases.

Reaganomic Problems

In pursuance of his supply side economic theories, President Reagan, on February 18, 1981, proposed to the Congress "a national recovery plan to reverse the debilitating combination of sustained inflation and economic distress which continues to face the American economy."[10/] "The plan consists of four parts: (1) a substantial reduction in the growth of federal expenditures; (2) a significant reduction in federal tax rates; (3) prudent relief of federal regulatory burdens; and (4) a monetary policy on the part of the independent Federal Reserve System which is consistent with these policies. These four complementary policies form an integrated and comprehensive program."[11/]

Theoretical Deficiencies and Operational Contradictions

Unfortunately for the American people, Reaganomics has serious theoretical deficiencies and has had severely debilitating contradictions in its execution by the administration.[12/] First, the supply side theory, which is the keystone

of Reaganomics has no credible evidence to justify wagering the future of the nation's economy on it--support of the kind that has been developed for Kaynesian economics which emphasizes effective demand. Moreover, OMB Director Stockman, who has been the administration's "chief operations engineer" for Reaganomics, was revealed in the December 1981 issue of the Atlantic Monthly to have said that the Kemp-Roth-Reagan tax reduction "was always a Trojan horse to bring down the tax rate . . . . It's kind of hard to sell 'trickle down,' so the supply side formula was the only way to get a tax policy that was really 'trickle down.'"[13/] The public question is, was Stockman's perception of the administration's intent correct?

Second, the fiscal stimulation from ongoing large federal deficits and the huge Reagan tax reductions enacted in 1981 was cancelled out by the restrictive monetarist policies imposed on the economy to fight inflation. Keynesian-type, unbelievably loose, fiscal policy was throttled by harsh monetary restrictionism and record high interest rates. Efforts by the Federal Reserve Banks to apply Milton Friedman's doctrines on controlling money supply to achieve steady growth rates caused interest rates to zoom to more than 20 percent for the prime rate in 1981. The high rates choked off plant and housing investment and demand for durable goods such as autos. Farm and business failures zoomed to records reminiscent of the Great Depression. Even if the theory were right, there has been widespread recognition that the Fed lacked the ability to control the money supply precisely because of rapid changes in financial practices. Economist Lester Thurow of MIT on "Meet the Press" declared that economic stagnation prevailed and that Reagan's experiment had failed.[14/] In effect, the government had one foot on the fiscal accelerator and another on the money supply brake, so the economy veered into the ditch of a sustained, serious recession in which unemployment reached 10.1 percent in September, 1982. With the economy close to the brink and the November election in the offing, the Fed reclined into a position of monetary ease in early October by dropping its efforts to stay within its weekly targets for M1. This set off a stock market and bond rally which pushed the Dow-Jones index through the 1,000 barrier. President Reagan, who had seen no meaning in the bear phases of the market, suddenly began to cite the bull market in his campaigning as a leading indicator of recovery.[15/] In his "non-partisan" pre-election TV address to the nation on October 13, 1982,

he stated that the country was "recovery bound" and that lasting recovery could be achieved "by staying the course." But the future of the economy remained clouded by fundamental defects in the Reagan program and the absence of self-regenerative economic forces on which the Reagan plan depended.

Two added factors undercut the asserted "reindustrialization" effectiveness of the Reagan program: (a) Three-fourths of the tax cuts enacted in 1981 were for individuals, and the link between individual savings and investment in capital plant is problematical. Much revenue is probably being wasted in non-productive tax giveaways to the rich. (b) The proposed doubling of national defense outlays between 1980 and 1986 under the $1.5 trillion five-year Reagan program competes with high technology resources needed for reindustrialization. It also shifts spending to distinctly less job-intensive purposes as compared with the domestic service programs which are being sharply reduced to make way for military expansion.

Unfulfilled Promises

The political posture of the Reagan administration is that the economy was in a "mess" because of the inflationary policies followed by the Democratic Carter administration (13 percent inflation in 1979 and 12 percent in 1980). Actually, the Carter policies were not greatly different from those of the Republican Ford and Nixon (12 percent inflation in 1974) administrations. Nevertheless, President Reagan has continued to blame Carter for the country's economic problems.

The economic performance of the Reagan administration against its own February 1981 economic promises can be characterized as a "mess." The Reagan administration in its policy statements has:[16/]

1. Denied the existence of the inflation/unemployment tradeoff, and led the people to believe the Reagan plan would simultaneously cure inflation and produce sustained growth of the economy by "reducing the growth of government." Instead, Reagan policies have produced a monumental recession in which less than 70 percent of manufacturing plant is used and unemployment exceeds 10 percent--and is still growing. From 1980 to the first 9 months of 1982, the rate of consumer price inflation has dropped by about 60 percent (40 percent faster than projected in the Reagan plan, but probably temporarily); the unemployment rate has risen by 36 percent from September 1980 to September 1982,

and the number of unemployed increased by 3.5 million to 11.3 million. There has also been a sharp increase in part-time or reduced-time employment. The unemployment rate is running about 30 percent higher than projected in the Reagan plan for 1982. The disasterous level of unemployment, the highest rate since 1940, is provoking sharp and widespread political criticism of the President's policies.[17/]

2. Promised to create 13 million new jobs from 1981 to 1986, 3 million through its own proposed policies. This compared with an increase of 10 million jobs during Carter's 4 years. The Reagan administration has virtually completely defaulted on this vital promise in its first 21 months. In the first 8 months of 1982 seasonally adjusted civilian employment under Reagan averaged only 375,000 above the 1980 Carter level. Reagan cuts in domestic programs have wiped out at least 1 million jobs, and there is no evidence that the huge 1981 tax cut has produced any new jobs.[18/]

3. Projected real GNP growth in calendar 1981 of 1.1 percent rising sharply to 4.2 percent in 1982 and 5.0 percent in 1983, based on its supply side policies. These optimistic figures pumped up projected revenue yields to justify the Reaganomic tax cut, the largest in history. Actual GNP growth in 1981 was 1.9 percent, but for 1982 the CBO's September revision shows a minus 1.3 percent and only a rebound of 3.6 percent in 1983 over the depressed 1982 level. The promised "new era" of supply side policy is not "steady expansion" but an utterly stagnant and declining economy for which the prospects of recovery are clouded by grim forecasts of 11 percent or more unemployment.

4. Placed large emphasis upon entering office on improved "expectations" to turn the economy around. Instead, the reverse occurred. The financial markets and corporations in their actions showed that they were dubious that Reaganomic promises would be matched by economic performance. Continuing high interest rates because of doubts as to whether inflation was really being conquered throttled the economy. This led to higher federal deficits and even poorer expectations.[19/]

5. Promised to balance the federal budget in 1984 and instead has created a situation where a deficit of $150-200 billion is being projected by CBO and OMB. Having created irresponsibly huge deficits through his policies, the President has endorsed a constitutional amendment to require a balanced budget.

Having sharply cut taxes for the rich, he has publicly "found tempting" a flat-rate tax scheme which would further cut taxes for the rich.

6. Promised to cure the 15-year slowdown and halt in business productivity. There have been hardly any signs of progress on this front, while unit labor costs rose 12 percent in the first 1½ years of Reagan's administration.

Neglected Economic Priorities

In a most fundamental respect, the Reagan economic program has failed to address the key long-range issues which must be tackled if sound, sustained economic growth is to be achieved by the American economy. In effect, in its single-minded emphasis on cutting government and turning the country over to private enterprize, it used a simplistic, hands-off, ideological solution for extremely complex problems which require strong, systematically planned and continuing cooperation between the national government, business, labor, and other sectors of the economy in an organized, long-term nation rebuilding effort. Such an effort requires rational analysis and well-focussed programs with a proper blend of public and private cooperation, pragmatism, foresight and concern for the future--not just shortsighted ideological and political posturing. Both effective demand and supply need to be considered.

The economic (and human) costs of Reaganomic policies in terms of wasted labor and industrial productive capacity are so large that an enormous national reconstruction effort can be financed by proper government action to put these resources to productive work. In the past, "make-work" projects have been used to create employment yet avoid "government competition with business," but this has been unproductive. Productive uses must be found. Even taking Secretary of Treasury Donald Regan's figure that 6.5 percent unemployment is economically acceptable, the annual rate of federal budget loss from continued 10 percent unemployment would be well over $100 billion a year.[20/] A prudent program can largely be economically self-supporting if productive uses are made of unemployed resources.

Among the fundamental national priorities neglected by the Reagan administration are the following:

1. Structural Economic Problems. The auto, steel, and housing industries are in dire condition. Manufacturing generally is in a process of secular decline. Many observers believe the country is shifting to high technology--

communications, computerization, automation. The nation's economy can be seriously weakened if government does not help cope with these monumental changes--if it fails to develop specific policies and programs which facilitate structural change and attendant regional readjustments.

2. Human Resources. The key ingredient in a high technology society is highly educated and trained workers--scientists, mathematicians, engineers, and technical and supporting specialists of all kinds, plus a high quality general and managerial labor force. The United States is behind in science and math. Some 20 percent of our young people leave the educational system functionally illiterate, and 24 percent of the youth are unemployed. The Reagan administration has been cutting aid to education at all levels--grade schools to universities. Research and development on the civilian side are neglected. Failure in education and research results in shortchanging the nation's future where it hurts the most, because it wastes human potential irrevocably. Investment in humans is as important, or more important, nowadays than investment in facilities.

3. Energy Independence. Economic growth is closely correlated with adequate, low-cost supplies of energy. The U. S. is excessively dependent on distant foreign sources of oil, which have in the recent past jarred our economy with severe supply and price shocks. Lulled by its private sector ideology and a temporary oil glut, the Reagan administration is basically neglecting the vital national task of achieving energy selfsufficiency. It is even attempting to close down the Department of Energy. This is an optimum time to develop alternative energy sources so the U. S. will be strong in the future.

4. Public Infrastructure Needs. Common-use public facilities are the sinews of the private economy and our urban aggregations. The public infrastructure is in serious disrepair and unsafe in many instances. Recent studies have estimated that the U. S. will have to invest $2.5 trillion or more to repair, update, and improve the country's public facilities--roads, streets, bridges, mass transit, sewers, water-pollution control systems, hospitals and detention facilities, etc.[21/] Opportunities of this magnitude and importance for productive employment of unused labor and plant would be ideal in the current deep recession. But the Reagan administration is cutting grant-in-aid spending instead of facing up to the twin needs of rebuilding public facilities and creating employment and business opportunities.

5. Reform of the Financial System. President Reagan has ascribed the ills of the U. S. economy to the increase of the federal debt--while proposing and approving the largest tax cut and running the biggest deficits in the history of the country. But the public debt is only a small part of the debt problem. In 1981, the federal debt of about $1.1 trillion was only 22 percent of the total debt of $5.1 billion outstanding in the U. S. From 1960 to 1981 private debt had increased 7.5 times to $3.6 trillion, according to Federal Reserve data. The U. S. Government has been reluctant to regulate the uses of bank credit--and many billions of dollars in loans have been made during the last two years for nonproductive corporate "takeovers" of other companies while the Reagan administration blinked at the growth of anticompetitive economic concentration. Wild expansion of private credit has contributed to inflation in the U. S. and abroad.[22/]

Of more concern, the jerry-built financial system faces serious risks of precipitating a huge financial crisis at home and worldwide. The "thrift institutions" have been running multi-billion-dollar losses. The major banks are exposed to tens of billions in foreign loans of dubious worth. Huge amounts of Euro-dollars are floating around the world along with hundreds of billions of foreign petrodollars, many of them covertly in the U. S.

Federal government bailouts for banking troubles would certainly be demanded in the event of huge defaults--indeed are being provided to the thrifts. This is "social credit" and it is high time that the private management and uses of credit in the U. S. should be critically re-examined and credit uses be brought into line with productive, noninflationary national purposes.

6. Economic Displacement Mitigation--The ongoing transformation in manufacturing to automate it and the shift from conventional industries to high technology and information processing will involve large labor displacement and geographic economic dislocations. Millions of existing jobs would be eliminated if rapid capital-intensive automation became a reality in the U. S. to compete with Japan and Western Europe.

Social measures to mitigate these negative effects and to provide income maintenance and to re-educate, retrain, and relocate displaced or unemployed workers are essential to make these technological changes publicly acceptable and humane, and to keep from wasting human resources. The growing outcry from

the 11 million unemployed and the particular despair of unemployed youths, especially black youths among whom extremely high rates of unemployment prevail, testify to the need for a national policy to provide positive measures to keep human wastage at a minimum. Unfortunately, the Reagan administration has been moving in the opposite direction. An about-face in the administration's policies on this front is necessary to avoid needless human misery and waste of productive capacity.[23/]

The Reagan Defense Buildup

President Reagan's February 1981 "Recovery Program" projected increases in national defense outlays from $136 billion in 1980 to $362 billion by 1986. The 5-year cost of this program was $1.5 trillion. The 5-year increases of $715 billion for defense over the 1980 level were to be offset by program cuts of $423 billion, almost entirely in domestic programs. He also proposed 5-year tax cuts of $718 billion at that time--made palatable by his extremely rosy GNP forecasts, which have been grossly underrealized due to the failure of Reaganomics.

This is the first president in recent American history who has proposed a rearmament program of huge proportions while simultaneously cutting taxes, especially taxes for the rich. From an economic standpoint this Reagan action dwarfs the mistake of President Lyndon B. Johnson, who merely delayed increasing taxes to finance the Viet Nam War and set off inflation. Recent newspaper reports state that OMB planning figures show a potential federal budget deficit of $200 billion for fiscal year 1984.[24/] This is despite tens of billions of budget cuts in social programs in the 1982 and 1983 budgets.

Press reports highlight a big forthcoming budget issue of cuts in defense *vs.* cuts in Social Security and related federal pension programs. Having already given the biggest income and corporate tax cuts in history to the rich, it now appears that the Reagan administration will ask the low income elderly retirees and widows and children on federal pensions to pay for the growing defense budget and the tax cuts for the well-to-do.

Three other dimensions of the Reagan defense buildup have serious public policy implications: First, as noted earlier, the rearmament boom will drain off scientists and engineers who could better be employed in reindustrializing

and automating American manufacturing and in building our high technology capability. An inordinate part of the U. S. R and D budget goes into defense projects. Second, defense outlays are intrinsically wasteful and contribute to inflation by bidding up wages, salaries, and prices of materials and equipment, depleting energy and mineral resources, and creating hundreds of thousands of well-paid pensioners at early ages. Third, the "New Cold War" with the Soviets which the Reagan administration has generated, coupled with the huge nuclear buildup now underway in both camps--accompanied by "launch on warning" suggestions--threatens the world's civilization. This threat could be removed and $20 billion a year, or more, in defense outlays saved by a nuclear freeze.[25/] The Reagan administration has dragged its feet on nuclear disarmament and has frightened a large segment of the American public.

Inflation Prospects

In the February 1981 "Economic Recovery" plan, inflation was projected to drop, as measured by the CPI, from the rate of 12 percent prevailing when the President was inaugurated to 8.2 percent in calendar 1983 and 4.2 percent in 1986--while maintaining a steady "robust" growth in real GNP of from 4-5 percent from 1982 to 1986. In the 1982 campaign, the administration has taken much credit for the decline in the CPI index in the first 9 months of 1982 to an annualized rate of 5 percent, while telling the country to be patient about unemployment.

However, the Reagan administration does not have a real program to restore inflation to the 1½ percent rate of the early 1960s: (1) The lower rate of inflation in 1982 reflects in large measure the costly impact of recession and low employment plus some supply factors. Moreover, the record this year has been spotty, ranging from a slight reduction in March to a 12 percent annual rate in June. Ample supplies of agricultural products and relatively stable oil prices have helped stabilize prices in 1982--but future "supply shocks" can hit again. (2) The large Reagan budget deficits are basically inflationary--and the recent rush of the Federal Reserve Board to loosen its monetary constraints and reduce interest rates is likely to renew inflationary fires down the road, just as happened after prior monetary binges. (3) There is a widespread expectation in business and financial circles that interest rates and prices will rise more rapidly when recovery from recession occurs. The September 1982 CBO projection assumes that prices will rise at over 6 percent during 1982 through 1984. At this rate the price level will double in 12 years.

(4) More fundamentally, the Reagan administration is not dealing with the basic causes of inflation. Rising wage costs are still imparting a substantial cost/push; there is no effective effort to develop a "social contract" to gear wage increases to productivity. There is no assurance that the Reagan program will yield increases in productivity except for the typical short-term increase on the recovery period of a business cycle. No effective program exists to stop cost and price escalation for hospital and medical care, nor for rising fuel costs, especially for natural gas. (5) The high interest rates of the last 4 years have built an enormous volume of excessive interest costs into many relatively long-range contracts. Forbes magazine in 1982 estimated that gross interest costs of $900 billion were coursing through the economy.[26/] Among other effects, this enlarges the rentier class. To sum up, the Reagan administration's assurances about stopping inflation were based on a naive theory and were not backed by a realistic, effective counterinflation program.

The Social Impacts of Reaganomics

Under the rubric of creating incentives for entrepreneurship and productivity, President Reagan has carried out the most striking and largest reverse income redistribution program in U. S. history--a program to benefit the rich and near rich and to take from the lower income classes. Having benefitted the rich magnificently through the 1981 tax reductions, the President is pressing in 1982 for further curtailments in "people programs" under the smokescreen of his "New Federalism" and the Joint Commission on Social Security headed by Wall Streeter Alan Greenspan.

The Reagan Tax and Budget Cuts in 1981

The Congressional Budget Office has shown that the $750 billion 1981 Reagan tax cut by 1984 will give 42 million households with incomes of less than $20,000 only 14 percent of the tax cut; the 46 million households with incomes of over $20,000 received 86 percent of the tax reduction. Indeed, 1¼ percent of the richest taxpayers (incomes of $80,000 and over), included in the latter group, were given over 18 percent of the tax cut.[27/]

In contrast, for the $17.9 billion of cash and in-kind benefit cuts in the fiscal year 1982 budget reconciliation bill enacted at the same time, the CBO analysis showed that by 1984 69 percent were to hit the under $20,000 group and only 31 percent the over $20,000 taxpayers.[27/] The 1981 Reagan tax and budget

cuts were utterly unfair. The tax cuts gave huge sums disproportionately to the upper income groups; the benefit cuts on the budget side preponderately hit the lower income group. The lower income people were required to suffer budget cuts to help finance the tax reductions for the higher income groups and the defense increases.

The 1982 Budget Cuts and Tax Increases

CBO analyses of the benefit reductions proposed in the 1983 Reagan budget in programs such as Medicare and food stamps showed much the same pattern as the actions in the prior year. In fiscal 1983, 77 percent of the reductions were to fall on the under $20,000 a year groups and only 23 percent on the over $20,000 classes.[28/]

The 1982 tax reform bill modified some of the more egregious provisions enacted in the 1981 Reagan tax cut bill, but data are not accessible on its overall distributional impact. However, it did not change the rate cuts in personal income taxes in 1981. Even though some consumption taxes were added in 1982 to hit lower income people, it is likely that the 1982 bill did moderate some of the inequitable impacts of the 1981 laws. However, as noted earlier, the increases in the 1982 bill offset only about 20 percent of the cuts effected in 1981, so the negative 1981 impacts clearly remain the dominant tax effects of the Reagan administration's tax laws.

New Federalism

Without question the pre-Reagan structure of federal grants-in-aid to state and local governments was overly fragmented and cumbersome, as the Advisory Commission on Intergovernmental Relations has documented at length. These problems, however, can be remedied without destroying the federal aid system which served the country well since 1935. During the 1980 campaign, candidate Reagan did not make the mistake of frightening the voters by repeating his 1976 plan to take the federal government out of the fiscal aid business to state and local governments. Instead, he emphasized elimination of "waste, fraud, and abuse," which seemed plausible enough. Once in office, however, the President reverted to his real position of undoing Great Society human resource, welfare aid, and community development programs by decimating the federal grant-in-aid system.

President Reagan's "New Federalism" would largely destroy cooperative fiscal federalism by returning to the pre-1935 philosophy of "states rights."

The plan carefully cultivates the egos of governors, who would gain power, while neglecting the cities and counties, and, of course, the poor and near-poor people who need public services and assistance to keep going. Two "New Federalism" plans have been issued during 1982. The first involved $47 billion in turnbacks of programs and revenue sources to the states and certain trades of responsibilities, e.g., full federal assumption of Medicaid and full state responsibility for AFDC.[29/] The Reagan administration for fiscal 1982 severely cut many of the programs before turning them over to the states as block grants--and has proposed additional cuts for fiscal 1983. CETA has been terminated and partially replaced by a weak, business-oriented training program.

The Reagan "New Federalism" plan disregards the wide disparities in fiscal capacity among states and among governmental jurisdictions within individual states. It is unfair and inequitable to poor American citizens because they would be treated unequally in different states and even by different local jurisdictions in the same state--as existing extreme variations in AFDC benefits under state standards demonstrate. The evidence already shows that states and communities have reacted very enevenly to replacing the fiscal 1982 federal cuts in grants-in-aid.[30/] Eight former HEW secretaries of both Republican and Democratic persuasion have issued a policy report which proposes minimum federal standards for AFDC and opposes the Reagan plan to turn this program entirely back to the states.[31/]

The Geographic Impacts of Reagan Programs

Solid data on the impacts of the Reagan budget cuts in domestic programs are not available. However, available studies suggest that (1) states and regions are impacted unevenly, with the high-employment Midwest and Northwest regions bearing the heaviest cuts; (2) large, high-poverty cities in the Midwest and Northwest again bear the sharpest per capita cuts in federal aid; (3) national defense outlays, which are increasing sharply, fall very unevenly--in 1982, states in the South and West gain $826 per capita while those in the Northeast and Midwest receive $381.[32/] In addition, states which follow federal tax definitions may be adversely affected by the Reagan corporate tax changes in treatment of depreciation and investment tax credits.

Socio-Economic Group Impacts

The true bottom-line purpose of Reaganomics appears to be not economic, but social: to roll back the social programs created in the 45 years prior to

the Reagan Presidency. In his rather successful counterrevolution against social programs, the President has succeeded in providing the defense contractors and the rich with enormous amounts of "welfare" and by 1983 in taking away perhaps $50 billion a year in budget expenditures which largely serve the poor and near poor. And more damage may be on the way to the poor and the middle class through pension cuts which could run into billions of dollars.

Children, women, minorities, the ill, the disabled, and the aged have been the big losers among the poor and the working poor. The poor and near poor have suffered cuts in cash aid, manpower programs, food stamps, school lunches, medical and hospital care, education, housing, and social services. The "working poor" have really been hurt. Numerous negative social effects of the budget cuts have been noted or prognosticated in critical reports on them: more malnutrition, more child abuse, poorer dental care and fewer immunizations for children, more alcholism and crime, and probable increases in infant deaths.[33/] The administration's insensitivity to the needs of children in deprived families is deplorable because poor care can blight their lives forever and undercut the human resources capabilities of the country in future years. For many of the elderly, it's "heat or eat" with the cuts in energy aid and other programs.

Reagan policies have also hurt some who are not so poor: Families cannot afford houses and home ownership is declining. The administration proposed deep cuts in loans and grants for college students, including the needy, which the Congress has refused to accept.

A Gallup-Newsweek poll shows a public perception of lopsided treatment by President Reagan: 81 percent of the people feel that the Reagan program helped the upper-income and 80 percent the big corporations; but only 23 percent felt his policies helped the blacks and 14 percent the poor.[34/]

Census Bureau statistics show an accelerating increase in the number of poor as measured by the government's own "poverty line." In 1981 the number of people in families living in poverty increased by 2.2 million to 31.5 million, the highest number since 1965. The increase since 1973 has been 8.5 million. In 1981 14 percent of the U. S. population was poor, the highest ratio since 1967. Contrary to Reagan administration claims that the standard of living is improving, Census reports show that median U. S. family incomes in constant dollars were less in 1981 than in 1970.[35/]

In the area of minority rights, the President has been charged with insensitivity and with being responsible for a decline in enforcement.[36/] The President came late to the support of the 1982 extension of the Voting Rights Act developed by the Congress.

The Voluntarism Alternative

President Reagan has proposed that private voluntary charity should step in to replace the federal funds cuts for social programs. His Task Force on Private Sector Initiatives has proposed that citizens should give 5 percent of their income to charity and corporations 2 percent of pre-tax net incomes.

The President is attempting to turn the social clock back to the days of President Herbert Hoover, when there were no significant federally-funded public aid programs--and states, localities, and voluntary organizations could not or would not take care of the millions of unemployed and needy. Federal emergency aid programs had to be created by President Franklin Roosevelt to keep people from starving.[37/]

An Urban Institute study has found that nonprofit and volunteer organizations will lose $33 billion in federal funds themselves in the next 3 years and will not be able to fill the gap created by federal social program cutbacks. By 1985 there will be a $115 billion social program gap in areas in which these organizations operate, which is beyond the reach of private contributions to fill.[38/]

Federal Pension Rights

Social Security and several federal retirement systems for workers not covered by it, represent the major honorable, non-means-test bulwark against poverty for aged and disabled retirees and their dependents. These programs also represent the biggest set of outlays in the federal budget--a very tempting target for cuts, which OMB Director David Stockman has once more fingered for fiscal 1984. The Reagan administration has already made major efforts to cut Social Security in 1981 and 1982, but retreated each time under public and Congressional pressure.

Social Security pensions are earned rights long presented to workers as social insurance. Employees contribute toward their benefits. Retirement rights typically vest after 10 years of coverage. The system is financed through trust funds, which were not included in the regular budget until fiscal year 1969. The bulk of Social Security payments goes to the lower income groups.

The key public policy issue is whether the Reagan administration will honor in full the earned and vested pension rights of workers already on the pension rolls or about to retire, as has been customary public policy for decades. No former President ever proposed major reductions in earned pensions for Social Security annuitants prior to President Reagan. The 1980 Republican platform described Social Security as a "fundamental contract." Will this contract be honored by the President elected on that platform?

Environment and Natural Resources

Protection of the environment--with its critical implications for the public health--and the management of the public domain in the public interest are two critical tests of the Reagan administration's performance. On both these fronts the administration has shown itself more inclined to promote the private interests than to discharge its public trust to the American public.

Under Administrator Anne Gorsuch the Environmental Protection Agency has sought to weaken the federal Clean Air Act and has fought approval of a global environmental report by the Organization for Economic Cooperation and Development simply because the draft proposed governmental action to solve such problems as acid rain.[39/]

Secretary of Interior James Watt has proposed the most massive divestitures of U. S. public lands and minerals to private industry ever proposed by an administration since President Theodore Roosevelt turned the nation's attention to conservation and protection of the public lands for public use. This is in keeping with candidate Reagan's endorsement in 1980 of the Sagebrush Rebellion. Watt wants to lease one billion acres of offshore land for oil and gas exploration and sell off a trillion dollars of public lands--at fire sale prices--under the guise that this will pay off the public debt.[40/] Environmental groups have vigorously condemned the administration's abuse of the environment and its reckless proposals for disposal of the people's lands.[41/]

The Impact on Federal Administration

High morale and appreciation for dedicated service are essential for sustaining an effective public service corps. The last two Presidents ran against the federal "bureaucracy" and have been derogatory of the importance of

governmental functions. Such scapegoating is misplaced, because federal civilian employees, including those in the Defense Department and the Postal Service, constitute less than 3 percent of the U. S. labor force.

The Reagan administration has shown a genius for reducing the morale of the U. S. civil service to shoe-lace level. Many Reagan political executives view government as nonessential and regard cutbacks in their budgets, programs, and regulations as their main mission. Key decisions for agencies are made by the OMB and task forces from the private sector "search out waste or inefficiency." A new 7-year initiative to centralize management control in OMB and the White House has been launched.[42/] In such a climate innovation is difficult. The public service has turned into a barren and unappreciated occupation. A talent hemorrhage has occurred as senior civil servants have retired in droves as soon as they become eligible.

At the very top of the federal government the defense of the administration's program is flawed by several characteristics which erode public trust and respect for the government:

First, the making of promises by the President to important groups of citizens and then violating them. For instance, the President on several occasions has specifically assured the elderly that he would protect their Social Security rights. On July 27, 1981, he assured the elderly on Social Security that "You will continue to receive your checks in the full amount due you." In December 1981 he told the White House Conference on Aging that "We will not betray those entitled to Social Security benefits . . . ." Yet, in the sping of 1982, the President endorsed a Senate budget plan to cut Social Security spending by $40 billion over 3 years and his OMB Director has targeted the program for cuts in the 1984 budget. The President has also broken his word to Civil Service retirees that he would support cost-of-living increases in their pensions.

Second, frequent factual errors in White House statements in defense of the Reagan program have been the subject of widespread press commentary.[43/] Presidential inaccuracy is a cause for concern.

Third, an unwillingness on the part of the administration to be straightforward and accept accountability for the social and economic costs of its

policies and for their failure. After more than 20 months in office, certainly the Administration should accept responsibility for the effects of its actions, and stop laying the blame on prior Presidents.

It is not surprising in the light of the attitudes and performance of the two recent Chief Executives that the Public Employees Roundtable, a coalition of professional organizations, has begun a campaign to restore the public image of government employees.[44/]

Needed: New Policies

Statesmanship is needed to solve the grim problems of unemployment and growing economic stagnation amidst inflation in the United States--and in industrial trading partners and near-bankrupt third-world debtor nations around the world important to our country's future. The United States has to take responsibility for helping create many of these problems around the world as well as at home by its policies. The task now is to address the critical structural problems in our economy and to stimulate production and productivity on a sound basis at home and abroad, to provide necessary credit for truly productive and employment creating purposes and yet to bring inflation and interest rates down by avoiding reckless public and private credit expansion. There also should be better coordination of fiscal and monetary/credit policies and programs.

To solve the nation's problems, President Reagan needs a new set of policies which reflect a sensible pragmatism acceptable to middle-of-the-road, bipartisan opinion in this country. He needs to accept a broader range of advice and to develop a new economic game plan, a more humanitarian social policy, an enlightened view of the public service, and a distinctly less truculent military and international posture.

The President should recognize that well-planned public sector outputs and public sector jobs contribute to national welfare just as much as private sector production and jobs. The cutting of domestic programs regardless of their public worth should stop and the role of the government in contributing to economic progress should be reinstated.

The wasteful and inflationary defense program should be cut sharply, nuclear disarmament actively pursued, and the resources thereby released should be

applied to rebuilding the public infrastructure and developing our human resources to higher levels of competence.

The President should serve as the trustee of the national interest for all the people. Toward this end it is suggested that President Reagan in collaboration with the Congress set up machinery for a thorough bi-partisan review of national policies and programs affecting the domestic and international actions of the United States with a view to arriving at bi-partisan policies in the interest of the country. This no-holds-barred review process should include genuine representation of both Democrats and Republicans from both the public and private walks of life. It should include businessmen, academics, and public officials from the state and local government as well as from the national government. There should be consultation and cooperation with U. S. trading partners abroad, old and new. This national agenda-building effort should culminate in a long-range, objective, realistic reorientation of the government's major policies to serve the long-range interests of all the people, not just the narrow partisan or special interests which have formulated the defunct and ideological policies which the President has been following. The growing problems facing the country and the world require that the leaders of the nation, whatever their party or interest, join to close ranks to serve the nation's collective welfare.

FOOTNOTES

1. The White House, America's New Beginning: A Program for Economic Recovery, Washington, D.C.: U.S. Government Printing Office, February 18, 1981. The revenue reductions are from p.7, the domestic budget cuts from p.5, and the deficits from p.9. The national defense increases are computed from p.5 of this document and from Fiscal Year 1982 Budget Revisions, March 1981 Washington, D.C.: U.S. Government Printing Office, pp. 34, 99.
2. Public Law 97-34.
3. House Report No. 97-201, July 24, 1981, p. 35.
4. Public Law 97-35, approved August 13, 1982. For the President's February 1981 budget targets see source in note 1, p. 5.
5. Budget of the United States Government Fiscal Year 1983, Washington, D.C.: U.S. Government Printing Office, pp. 2-14 and 3-8.
6. The Denver Post on February 24, 1982 headlined on the front page that "COP Leaders Say Reagan Budget Dead" and again on March 27, 1982 that "Reagan Commitment to Budget 'Gone'. Meese Says President Prepared to Negotiate."
7. Congressional Budget Office, An Analysis of the President's Budgetary Proposals for Fiscal Year 1983, February 1982, p. xxi.
8. The Boulder Daily Camera, July 28, 1982, pp. 1, 5, based on Associated Press report; and Congressional Budget Office, The Economic and Budget Outlook: An Update, September 1982, p. 62.
9. "House Clears Compromise 1983 Budget; Senate Is Expected to Oppose It Today," The Wall Street Journal, June 23, 1982, p. 3; Senate Report No. 97-530, p. 691.
10. See "America's New Beginning....," p. 1.
11. Ibid., p. 2.
12. For amplification of these points the reader is referred to Ray Marshall, et.al., An Economic Strategy for the 1980s, Washington, D.C.: National Policy Exchange, 1982; and the Urban Institute, "Perspectives on the Reagan Experiment," Policy and Research Report, Vol. 12, Nos. 1 and 2, Fall 1982, Washington, D.C. See also John L. Palmer and Isabel V. Sawhill,

eds., The Reagan Experiment, Washington, D.C.: The Urban Institute Press, 1982.

13. Quoted in Marshall, et.al., p. 17.

14. "Economist Thurow Says Reagan 'Experiment' Failed," The Boulder Daily Camera, October 4, 1982, p. 1C (Associated Press Report).

15. See The Wall Street Journal, October 12, 1982, for discussions of shift in Federal monetary policy, pp. 3, 13, 28, 29.

16. Promises cite are largely from Reagan document cited in note 1.

17. For actual date see 1982 Economic Report of the President and relevant issues of Economic Indicators, Washington, D.C.: U.S. Government Printing Office. Unemployment data for September 1982 are from newspaper stories on October 9, 1982.

18. See notes 16 and 17. See also Marshall, et.al., p. 28.

19. See, for instance, Martin Feldstein, "Why Short-Term Interest Rates Are High," The Wall Street Journal, June 8, 1982, p. 24. Also "Budget Impasse Threatens to Prolong High Rates, Recession," The Wall Street Journal April 30, 1982, p. 1.

20. CBO estimates indicate that a one percent unemployment rate would cost the Treasury an average of $35 billion per year if continued over 5 years. See Congressional Budget Office, The Economic and Budget Outlook: An Update, September 1982, p. 89. Lane Kirkland indicated on Face the Nation on September 10, 1982, that the current recession has already cost the Treasury $100 billion and involved GNP losses of $400-500 billion.

21. "To Rebuild America - $2.5 Trillion Job," U.S. News and World Report, September 27, 1982, pp. 57-62.

22. "The World Gasps for Liquidity," Forbes, October 11, 1982, p. 150. See also "Do You Sincerely Want to End Inflation," Forbes, March 29, 1982, cover and pp. 44 ff.

23. See also "Debate Heats Up Again on Industrial Policy," The Wall Street Journal, October 11, 1981, p. 1.

24. "200 Billion Deficit Eyed for Fiscal '84," The Denver Post, October 12, 1982, pp. 1A-4A (a Washington Post report by David Hoffman).

25. "Boulder County (Colorado) Nuclear Education Booklet," Boulder, CO 80306, P.O. Box 471, September 1982, p. 11.

26. Forbes, March 29, 1982, pp. 4, ff.

27. Computed by the author from data in Congressional Budget Office, "Effects of Tax and Benefit Reductions Enacted in 1981 for Households in Different Income Categories," Special Study, February 1982, pp. 25,26.

28. Congressional Budget Office, "Effects of Changes in Taxes and Benefit Payments Proposed in the Administration's Budget for Households in Different Income Categories," Staff Memorandum, April 1982, p. 10. (Note: Tax analysis figures in this source are not useful because the 1982 tax bill was greatly different in the mix of taxes covered).

29. 1983 U.S. Budget, pp. 3-28 ff; and "Reagan Revamps 'New Federalism' Plan for Welfare to Enhance Appeal to States," The Wall Street Journal, June 23, 1982, p. 2.

30. Based on a preliminary report by Richard Nathan of Princeton University on results of his monitoring project on Reaganomics given at a conference on "Colorado Responses to New Federalism, University of Colorado at Denver, July 21, 1982. Lee White, Colorado State Budget Director, also reported that the State had replaced but a small fraction of its Federal funds losses. This seems to be happening in most states.

31. "8 Ex-Welfare Chiefs Ask U.S. Floor on Family Aid," The New York Times, September 16, 1982, p. 13.

32. See Joint Economic Committee print, "The Regional and Urban Impacts of the Administration's Budget and Tax Proposals, "Washington, D.C., U.S. Government Printing Office, July 31, 1981, pp. 18-19; Northeast-Midwest Institute, "Budget Analysis Series: A Regional Analysis of President Reagan's Fiscal 1983 Budget," Washington, D.C., February 8, 1982, pp. viii - ix; and 1.1; "Disparities Cited in Proposed Cuts: Impact on States Studied," The Denver Post, March 7, 1982, p. 9A (a New York Times story); and Urban Institute, The Reagan Experiment, pp. 441, ff.

33. "Budget Draft Hits Children, Aged," The Denver Post, January 23, 1982, p. 2A; "Social Workers See Federal Cuts Starting to Take Toll on the Poor," The Wall Street Journal, July 13, 1982, p. 29.

34. "Polarizing the Nation?", Newsweek, February 8, 1982, p. 33.

35. Based on Bureau of the Census Current Population Reports and The New York Times, July 20, 1982, pp. 1, 18. Reagan tax cuts do not help the poor.

36. "The Administration's Insensitivity to Black America," The Wall Street Journal, April 15, 1982, editorial page; "33 Civil Rights Chairmen Sign Letter Criticizing Reagan," The Sunday Camera (Boulder, CO), September 12, 1982, p. 3.

37. Michael S. March, An Analysis of the Development and Rationales of the United States Income Security System, 1776-1980, Washington, D.C.: U.S. Government Printing Office, 1981 (House Select Committee on Aging, Pub. No. 97-303), pp. 15 - 23.

38. "Private Group Can't Fill Void In Service Cutbacks, Study Finds," The Denver Post, September 3, 1982, p. 3A (Washington Post report).

39. "Health Threat Cited in Air Rule Change," The Denver Post, May 6, 1982, p. 12A; "EPA Endorses Index of Cleaning Air by 'Emissions Trading'," The Denver Post, April 3, 1982, p. 3A.

40. "Federal Sale of Extra Land Stirs Dispute," The Wall Street Journal, July 26, 1982, p. 21; "U.S. Plans Biggest Land Shift Since Frontier Times," The New York Times, July 3, 1982. "Western Governors Chide Watt Over Leasing Policies," The Denver Post, September 5, 1982, p. 100. "Watt Sends Congress Plan to Open Most of Coastline to Drilling," The New York Times, May 15, 1982, p. 35.

41. Indictment: The Case Against the Reagan Environment Record, San Francisco, CA: Sierra Club, 1982.

42. "Reagan To Launch Major Executive Reform Plan," Public Administration Times, September 15, 1982, pp. 1, 15.

43. "Reagan's Claims on Cutbacks Misleading, The Boulder Daily Camera, April 23, 1982, pp. 1, 3; "Reagan Defends Student Loan Plan," The Denver Post, April 11, 1982, p. 9; "Reagan Statements Accumulate But So Far Do Him Little Harm," The Wall Street Journal, June 15, 1982, p. 27; "Aide Refuses to Say President Misspoke," The Denver Post, May 12, 1982; Political Adds Anger Both Sides," The Denver Post, July 16, 1982, p. 8A. These items related to budget cuts, tax cut benefits, inflation, education cuts, social security, and civil rights enforcement.

44. "Civil Servants Launch Image-Building Campaign," Public Administration Times, September 15, 1982, p. 3.

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Vita

Michael S. March was born in 1916 in Kiowa County, Colorado. His higher education includes a B.A. degree in economics from the University of Colorado; study in public administration and economics at the University of Illinois and at American University in Washington, D.C.; and a Ph.D. in Political Economy and Government from Harvard University. From 1969-1970 he was a Federal Executive Fellow at the Brookings Institution doing research on national priorities and the federal budget.

Dr. March served for 33 years with 8 different federal agencies, including approximately 28 years with the U. S. Bureau of the Budget and the Office of Management and Budget in the Executive Office of the President. In 1967 he was awarded the Bureau of the Budget's Award for Exceptional Service, its highest distinction for professional service. He retired from federal service in 1973.

Dr. March has engaged in legislative and program analysis in a wide range of fields, including national defense, international aid, health, education, labor and manpower, and income maintenance and retirement programs. He is the author of numerous articles in professional journals and governmental or university reports on subjects such as budgeting, poverty, human resources development, funding of science, Sunset evaluation, and social service delivery systems. He has contributed to more than 20 Presidential Budget Messages and directed or written many other governmental reports and publications as an anonymous staff member.

On a number of times in his career as a federal civil servant, Dr. March was in charge of planning and successfully executing major policy research projects. In 1955-56 he was Technical Adviser to the President's Commission on Veteran's Pensions chaired by General Omar N. Bradley. In 1964 he was the Executive Secretary of a Johnson Administration Task Force on U. S. Income Maintenance Programs headed by John Corson. In 1969 he briefed and analyzed a score of prior studies on the U. S. Presidency for the Ash Commission. Then in 1971-72 he was Executive Director of the Commission on Railroad Retirement under Theodore Yntema. He was involved also in many lesser special studies for the BOB-OMB.

During 1973-74 he was Assistant Vice President (Budget and Planning) at the University of Colorado Medical Center. Since September, 1974, he has served full-time as Professor of Public Affairs in the Graduate School of Public Affairs of the University of Colorado at Boulder and at Denver, where he is currently assigned. He teaches Policy Analysis and Program Evaluation; Financial Administration and Policy Formulation; Governmental Budgeting; and Program Development and Implementation. His public service and research projects since 1973 have included membership on a Twentieth Century Fund Task Force on Veterans' Benefits; major roles in the Colorado "Sunset Review" process and in studies of the Colorado State Budgetary and Personnel systems by the Colorado Chapter of the American Society of Public Administration; evaluation of the Boulder Community Care Organization for the elderly; and service as consultant to the President's Commission on Pension Policy.

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